

REQUEST FOR PROPOSALS FOR
PROFESSIONAL SERVICES
FOR
AUDITING SERVICES CONTRACT
2021 AUDIT

ATLANTIC CITY MUNICIPAL UTILITIES AUTHORITY



Proposal Due Date: Decemberth 7, 2021
Time: 11:00 A.M.

ADDRESS ALL PROPOSALS TO:
Anita Thapa, Assistant Director of Finance and Accounting
Atlantic City Municipal Utilities Authority
401 North Virginia Ave
Atlantic City, New Jersey 08401

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ARTICLE I ADMINISTRATION

ADVERTISEMENT

ATLANTIC CITY MUNICIPAL UTILITIES AUTHORITY
REQUEST FOR PROPOSALS
UNDER A FAIR AND OPEN PROCESS
FOR A
PROFESSIONAL SERVICES CONTRACT

The Accounting Firm will be required to perform various tasks as more specifically outlined in Article III.

Completion of all forms in this Request for Proposals (RFP) is mandatory. Failure to complete and sign the following forms will be cause for rejection of the submitted proposal.

1. Section 6.3, Method of Compensation
2. Corporate Disclosure Statement
3. Exhibit A, Mandatory Equal Opportunity Employment Language
4. Non-Collusion Affidavit properly notarized
5. Ownership Disclosure Statement properly notarized
6. Disclosure of Investment Activities in Iran
7. State of New Jersey Business Registration Certificate
8. Certificate of Insurance for Professional Liability Insurance coverage
9. Certificates of Insurance for Worker's Compensation Insurance and Umbrella Insurance
10. Schedule A, Insurance and Indemnification Agreement
11. A copy of the firm's current Accountancy Firm Registration
12. A copy of the most recent Quality Control Review Report, as required by Government Auditing Standards
13. A copy of the most recent Peer Review letter from an outside reviewer. The submitting firm must meet all requirements for auditing of government agencies.
14. List of Audits completed for other authorities in the State of New Jersey

Copies may be made of all pages in this RFP:

During the performance of this Contract, the Accounting Firm will be required to comply with the requirements of P.L. 1975, c. 127; P.L. 1977, c. 33; and Atlantic City Municipal Utilities Authority Resolution 267 of 1992.

1.2. DEFINITIONS

Accounting Firm: An individual, firm, partnership, corporation, or joint venture, acting

directly, or through a duly authorized representative, legally submitting a Proposal or entering into a Contract with the MUA.

CONTRACT: The agreement covering the performance of the Project and payment, therefore, including this Scope of Services, Proposal, Resolution of Award of Contract, Executed Form of Contract, Supplementary Agreements and letters or other information giving interpretations or revisions of any of the foregoing documents, all of which are to be treated as one instrument whether or not set forth at length in the form of Contract.

FINAL ACCEPTANCE: A mutual agreement of the contract parties that all professional services have been satisfactorily performed and all of the contracted deliverable documents have been satisfactorily delivered and accepted by the MUA.

MUNICIPAL UTILITIES AUTHORITY (MUA): A Public utility, which owns and operates the Municipal Water Department.

PROPOSAL: The prepared form furnished by the MUA, properly completed and executed, and submitted as a proposal for the performance of the project.

PROJECT: The entire scope of professional services and products to be performed and delivered to the MUA under the Contract.

BUSINESS DAY: A calendar day, exclusive of Saturdays, Sundays, and legal Federal, State and City Holidays, which is mutually agreed upon as the definition of a working day for the scope of this project.

1.3. INTENT

The Authority is requesting a proposal for Specialized Accounting Services.

1.4. DESCRIPTION

Professional Accounting Services sought under this Proposal are detailed in Article III.

1.5. ENGAGEMENT LIAISON

The Accounting Firm will correspond with the following MUA official in all matters affecting this Contract:

ANITA THAPA, Assistant Director of Finance and Accounting
Atlantic City Municipal Utilities Authority
401 N. Virginia Avenue
P.O. Box 117
Atlantic City, New Jersey 08404-0117
609-345-3315

Proposals must be submitted on or before Tuesday, December 7, 2021, at 11:00 am and may be submitted either by mail or in-person to Atlantic City Municipal Utilities Authority, 401 N Virginia Avenue P.O. Box 117, Atlantic City, New Jersey 08404-0117.

The Accounting Firm shall designate its authorized Project Manager on the form provided with this Scope of Services under Article VII.

ARTICLE II GENERAL PROVISION

2.1 RESPONSIBILITY OF THE ACCOUNTING FIRM

With respect to the performance of accounting services, the Accounting Firm shall exercise that degree of skill, care, and diligence normally exercised by a recognized professional with respect to the performance of comparable accounting services.

With respect to the performance of work by subcontractors, the Accounting Firm shall use its recognized professional judgment, care, and prudence in accepting such work.

In its performance of professional accounting services, the Accounting Firm:

- A. Shall comply with all applicable laws and ordinances, including applicable regulations of the City, County, State and Federal Government.
- B. Shall be responsible for the coordination, integration and interfacing of all work performed by its own forces and subcontractors.

2.2 DATA TO BE FURNISHED TO THE ACCOUNTING FIRM

The MUA shall furnish to the Accounting Firm, at its request, and in a timely manner, all pertinent plans, reports, records, maps, and supporting data which are and which shall become available to the MUA and which the Accounting Firm may require in the performance of the accounting service.

2.3 PERSONNEL

The MUA reserves the right to direct the Accounting Firm to remove and reject the nomination of any of its personnel from the performance of the professional accounting services under this Contract. If such removal is for cause, the cost shall be borne by the Accounting Firm.

The Accounting Firm recognizes that the assignment of personnel was a key factor in the selection of the Accounting Firm by the MUA. The Accounting Firm agrees that the persons listed elsewhere in this Scope of Services will perform such functions as indicated. Any proposed changes must be approved by the MUA.

2.4 PROJECT MANAGEMENT

The Accounting Firm Manager for the accounting services shall be fully responsible for the day-to-day activities under this Contract and shall serve as the primary contact to the MUA's official.

2.5 PROJECT CONTROL SCHEDULING

2.5.1 DUTIES OF THE ACCOUNTING FIRM PROJECT MANAGER: General duties of the Accounting Firm Project Manager will include a review of all technical products of the Accounting Firm and project administration within the limits of the Contract. All correspondence and communication between the MUA and the Accounting Firm related to the scope of the project will be issued by or directed by the Accounting Firm Project Manager. The Accounting Firm Project Manager is not authorized to direct the Accounting Firm to accomplish any work not required by the Contract, nor is he authorized to approve the changes in the Contract on behalf of the MUA.

2.5.2 WORK SCHEDULE: For larger projects, a preliminary work Schedule will be requested for the performance of work outlined in the Scope of Services. This schedule shall be used for progress monitoring and control. If at any time during the performance of these specified accounting services, the Accountant foresees any variation from the approved work schedule, he shall immediately submit a revised work schedule to the MUA for review and approval. For smaller projects, a schedule is still required in the proposal.

2.5.3 FEE ESTIMATES: Proposed fee estimates shall be coordinated with the schedule and any proposed project phasing. Any necessary, revised fee estimates shall be submitted to the MUA for review and approval prior to work being performed. Lump-sum fees are preferred.

2.5.4 PROGRESS REPORTS: For larger-scale engagements, the Accounting Firm shall submit monthly progress reports in writing to the MUA by the end of the third week of the following month. These progress reports shall include:

- A. A narrative discussion of all activities in progress during the reporting period, including services anticipated to be performed during the next month.
- B. A narrative discussion of the work schedule and an estimate of the percent of completion of the accounting services rendered to date, including any variations from the accepted work schedule. Variations shall be accompanied by a narrative explanation.
- C. An estimate of costs for each task, including variation from the proposed fee schedule. Variations shall be accompanied by a narrative explanation.

2.6 TIME OF PERFORMANCE

The Accounting Firm shall perform in his professional services with due diligence and shall complete the professional services within the time schedule contained in this Scope of Services after receipt of the MUA's written Notice to Proceed.

2.7 PROGRESS REPORT

In addition to the provisions of Article 2.5, the MUA shall be entitled at times to be advised, at its request, of the status of the project being done by the Accounting Firm and of details thereof. The closest collaboration and cooperation shall be maintained by the Accounting Firm with representatives of the MUA, and either party to the Contract may request and be granted a conference.

2.8 OWNERSHIP OF DOCUMENTS AND EQUIPMENT

All finished and unfinished documents, data, studies, surveys, drawings, specifications, maps, photographs, reports, books and instruments gathered or prepared for, or by the Accounting Firm pursuant to this Contract shall be the property of the MUA without restriction or limitation on their use. Original copies of such items shall be delivered by the Accounting Firm to the MUA upon final acceptance or within sixty (60) days after the termination of the professional accounting services. The Accounting Firm shall be permitted to retain, at its own cost, copies of such items for its records; however, publication of this material is subject to the written approval of the MUA.

Tangible items of non-consumed equipment, materials, supplies, and furnishings purchased by the Accounting Firm, the cost of which have been reimbursed to the Accounting Firm as a direct cost, shall be turned over to the MUA at the completion of, or early termination of, the professional accounting services, or otherwise disposed of as directed by the MUA, and the proceeds of any such disposal shall be credited to the MUA.

2.9 INSURANCE AND INDEMNITY

During the course of the project, the Accounting Firm shall maintain the following insurance with insurers, or under the forms of policies, satisfactory to the MUA:

- A. Workmen's Compensation Insurance as required by Law.
- B. Comprehensive Public Liability, including liability rising out of the use of automobiles, up to the following limits:

- (1) Bodily Injury: \$500,000 per person; \$1,000,000

per occurrence.

(2) Property Damage: \$500,000 per occurrence.

- C. Errors and Omissions Insurance: The Accounting Firm will indicate his coverage of Errors and Omissions Insurance, on the enclosed form.

The Accounting Firm shall, to the full extent permitted by applicable law, indemnify, hold harmless, and upon request, defend the MUA, the MUA's respective officers, employees, agents, and representatives from and against any and all claims, losses, costs, damages, and liability on account of injury to or death of any person or loss of or damage to any property arising from any negligent acts or omissions of the Accounting Firm or its officers, employees, agents, subcontractors or representatives during the course of this project.

2.10 FINAL ACCEPTANCE

When the project has been completed, the Accounting Firm shall so advise the MUA in writing. Within thirty (30) days of receipt of such notice, the MUA shall give the Accounting Firm written notice of any incompleting services, or the MUA shall issue a letter of Final Acceptance. Upon completion of any incompleting services, the Accounting Firm shall again notify the MUA and shall request written notice of Final Acceptance. Once the incompleting services are complete, the MUA shall issue a letter of Final Acceptance within thirty (30) days of such notice. Final Acceptance shall not constitute a waiver or abandonment of any rights or remedies available to the MUA under any other section of this Contract.

2.11 TERMINATION, SUSPENSION AND SANCTIONS

If through any cause within the reasonable control of the Accounting Firm, the Accounting Firm shall fail to fulfill in a timely and proper manner, or otherwise violate any of the covenants, agreements or stipulations material to this Contract, the MUA shall thereupon have the right to terminate the Contract then remaining to be performed by giving written notice to the Accounting Firm of such termination which shall become effective upon receipt by the Accounting Firm. In the event of termination, all finished and unfinished documents, data, studies, surveys, drawings, maps, models, photographs, reports and all other work products prepared by the Accounting Firm, and its subcontractors, shall be promptly delivered to the MUA, who shall compensate the Accounting Firm in accordance with the terms of this Contract for all Professional Accounting Services performed by the Accounting Firm prior to termination, that are evidenced by materials delivered by the Accounting Firm to the MUA.

Notwithstanding the above, the Accounting Firm shall not be relieved of liability to the MUA for damages sustained by the MUA by virtue of any breach of the Contract by the Accounting Firm, and the MUA may reasonably withhold payment to the Accounting Firm until such time as the exact amount of damages to the MUA, from the Accounting Firm, is determined.

The MUA may, for its convenience, terminate the project then remaining to be performed at any time by giving written notice to the Accounting Firm of such termination, which shall become effective upon receipt by the Accounting Firm. In addition to the provisions of the above two paragraphs, the Accounting Firm shall be reimbursed for all costs incidental to said termination, including without limitation, demobilization costs, and otherwise, reimbursed under these termination provisions. Such payments shall be the total extend of the MUA's liability to the Accounting Firm upon termination for convenience.

The MUA also reserves the right to terminate the project then remaining to be performed in the event the Accounting Firm is placed either in voluntary or involuntary bankruptcy or makes an assignment for benefit of creditors. All rights and obligations shall be the same as provided for in this Article.

In the event of the Accounting Firm's non-compliance with the non-discrimination provisions of this Contract, the MUA shall impose such Contract sanctions as it may determine to be appropriate, including but not limited to withholding of payment to the Accounting Firm under the Contract until the Accounting Firm complies with said provisions. In the event the MUA cancels or terminates the project pursuant to this paragraph, the rights and obligations shall be the same as provided for in this Article.

2.12 CHANGES

The MUA may, from time to time, order changes in the project and the Accounting Firm shall promptly comply with each written order in accordance with procedures to be established by the MUA. Each change shall be directed by a written change order signed by the MUA official designated in this Scope of Services and accepted by the Accounting Firm Project Manager. Said change order will provide equitable adjustment in the time of performance, budget and fixed fee if applicable, as well as any other provisions of this Contract which are affected by said change order.

If the Accounting Firm is of the opinion that any services it has been directed to perform are beyond the scope of this Contract, and constitutes extra work, it shall promptly notify the MUA of that opinion, in writing.

2.13 DISPUTES

Except as provided for in this Contract, any disputes concerning a question of fact arising under this Contract, which is not disposed of by agreement, shall be decided by the MUA, which shall mail or otherwise furnish a copy in writing of the decision to the Accounting Firm. The decision of the MUA shall be final and conclusive unless within thirty (30) days from the date of the receipt of such copy, the Accounting Firm mails, or otherwise furnishes, to the MUA a written appeal. The decision of the MUA or its Board of Directors, for the determination of such appeals, shall be final and conclusive unless determined otherwise by a court of competent jurisdiction. In connection with any appeal proceeding under this Article, the Accounting Firm

shall be afforded an opportunity to be heard and to offer evidence in support of his appeal. Pending final decision of a dispute hereunder, the Accounting Firm shall proceed diligently with the performance of the Contract in accordance with the MUA's decision. Failure to comply with the provisions of the above paragraph shall be cause for termination in accordance with Article 2.11.

2.14 INSPECTION

The Accounting Firm shall permit the authorized representatives of the MUA, the county of Atlantic, State of New Jersey and the Federal Government to inspect, review and approval all work tracings, plans, specifications, maps, data, records and construction site work performed, gathered or developed under this contract at anytime within the duration of the Contract and within three (3) years after the final acceptance or termination of the Contract.

2.15 ASSIGNMENT, TRANSFER OR SUBCONTRACTING

The Accounting Firm shall not assign any interest in this Contract and shall not transfer any interest in the same, whether by assignment or notification, without the prior written consent of the MUA.

2.16 EQUAL OPPORTUNITY

The Accounting Firm shall not discriminate against any employee or applicant for employment because of race, religion, color, sex, age, ancestry, martial status, physically handicapped, place of birth or national origin. The Accounting Firm shall take affirmative actions to insure that applicants are employed and that employees are treated during their employment without regard to their race, religion, color, sex, age, ancestry, martial status, physically handicapped, place of birth or national origin. Such actions shall include, but not be limited to the following: Employment, upgrading, transfer or demotion, recruitment, or recruitment advertising, layoff or termination, rates of pay or other forms of compensation and selection for training including apprenticeship. Evidence of such action will be included in a written Affirmative Action Plan developed in accordance with the requirements of Resolution No. 267 of 1992.

During the performance of this Contract, the Accounting Firm agrees as follows:

The Accounting Firm shall, and all solicitations or advertisements for employees placed by or on behalf of the contract, state that all qualified applicants will receive consideration for employment without regard to race, religion, color, sex, age, ancestry, martial status, physically handicapped, place of birth or national origin.

The Accounting Firm shall send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, as applicable, a notice to be provided advising the said labor union or worker's representative of a Accounting Firm's commitments with this paragraph, and shall post copies of the notice in a conspicuous

place available to employees and applicants for employment.

The Accounting Firm will cooperate with the MUA in meeting its commitments for Minority Business Enterprise Utilization, and will use its best efforts to insure that minority enterprises shall have the maximum practicable opportunity to compete for subcontract work under this project. The Accounting Firm shall include in all subcontracts which may exceed \$5,000, the requirements of Federal Procurement Regulations regarding the utilization of minority business enterprises as follows:

a. It is the policy of the Government that minority business enterprises shall have the maximum practicable opportunity to participate in the performance of Government contracts.

b. The Accounting Firm agrees to use his best efforts to carry out this policy in the award of his subcontractors to the fullest extent consistent with the efficient performance of this Contract. Contractors may rely on written representations by subcontractors regarding their status as minority business enterprises in lieu of an independent investigation.

2.17 CONFLICT OF INTEREST

The Accounting Firm covenants that it presently has no interest, and shall not acquire any interest, direct or indirectly, which would conflict in any manner or degree with the performance of this Contract. The Accounting Firm further covenants that in the performance of this Contract, no person having any such interest shall knowingly be employed by the Accounting Firm.

No member, officer or employee of the MUA or of a local public body, during his tenure, or for two (2) years thereafter shall have any interest, direct or indirect, in this Contract or the proceeds thereof.

2.18 COVENANT AGAINST CONTINGENT FEES

The Accounting Firm warrants that it has not employed nor retained any company or person other than a bona fide employee working solely for the Accounting Firm, to solicit or secure the Contract, and that he has not paid or agreed to pay any person, company, corporation, individual or firm, other than a bona fide employee working solely for the Accounting Firm, any fee, commission, percentage, gift or any other consideration, contingent upon or resulting from the award or making of this Contract.

2.19 PATENT RIGHTS, COPYRIGHTS, CONFIDENTIAL FINDINGS

Any patentable result arising out of this Contract, as well as all information, designs, specifications, processes, data and findings, shall be made available to the MUA, unless it is legally determined that it is in the public interest that it not be so made available.

No reports, maps, other documents, articles or devices produced in whole or in part under this Contract shall be the subject of any application for a copyright or patent by or on behalf of the Accounting Firm or its employee's subcontractors.

2.20 NOTICES

All Communications relating to the day-to-day activities shall be exchanges between the Accounting Firm Project Manager and the MUA official designated herein. The Accounting Firm Project Manager shall be designated when submitting this Proposal.

Notices hereunder shall be effective on delivery, if delivered personally, on the day following postmark if mailed to an address in Atlantic City, and on the seventh (7) day following postmark, if mailed to an address outside Atlantic City.

2.21 PUBLICITY NEWS RELEASES

The Accounting Firm shall not during or after performance of this Contract, disseminate any information outside its organization regarding this project, or the services performed for the MUA without prior written approval of the MUA Official.

ARTICLE III PROFESSIONAL SERVICES TO BE PROVIDED BY ACCOUNTING FIRM

The Atlantic City Municipal Utilities Authority (MUA) is a duly formed municipal utilities authority under the laws of the State of New Jersey. The MUA is required to comply with the laws of the State of New Jersey and specifically for this engagement, the MUA is required to follow the Administrative Code as established by the Department of Community Affairs regulating local authorities.

The requirements of the Audit and Budget Review are set forth in the "New Jersey Local Authorities Accounting Principals and Auditing Standards Manual." The Audit is expected to perform fund accounting and provide detail on all accounts established pursuant to the MUA's Bonds as required by the Bond Resolution. The Audit will also detail all information required to establish a connection fee rate.

The proposals must also include a per diem rate for any and all employees that will be working on the project for the firm soliciting the proposal. These rates will be used both for charges for additional work as requested by the MUA, and in addition, will be used as supporting documentation for work efforts performed on behalf of the MUA. The price proposal shall be a maximum cost; however, the MUA shall expect a discount if the Accounting Firm is able to perform the work in a less expensive manner. The MUA will not increase the upset limit.

The selected firm will audit the financial statements of the Atlantic City Municipal Utilities Authority as of and for the year ended December 31, 2021. The financial statements will be presented as prescribed by N.J.S.A 40A:5A-15 and in accordance with the financial reporting model described in GASB Statement No. 34. The document submitted to you will include the following additional information that will be subjected to the auditing procedures applied in the audit of the financial statements:

1. Management's Discussion and Analysis

In addition, the selected firm will compile a forecasted operating budget and summary of significant forecasted budget assumptions of the Authority's proposed budget.

Audit Objectives

The objective of our audit is the expression of an opinion as to whether the MUA's financial statements are fairly presented, in all material respects, in conformity with accounting principles generally accepted in the United States of America, and to report on the fairness of "management's discussion and analysis" when considered in relation to the financial statements taken as a whole. The objective also includes reporting on:

Internal control related to the financial statements and compliance with laws, regulations, and the provisions of contracts or grant agreements, noncompliance with which could

have a material effect on the financial statements in accordance with Government Auditing Standards.

Internal control related to major programs and an opinion (or disclaimer of opinion) on compliance with laws, regulations, and the provisions of contracts or grant agreements that could have a direct and material effect on each major program in accordance with the Single Audit Act Amendments of 1996; OMB Circular A-133, Audits of States, Local Governments, and Non-Profit Organization; and New Jersey OMB Circular 04-04, Single Audit Policy for Recipients of Federal Grants, State Grants and State Aid.

The report on internal control and compliance will each include a statement that the report is intended for the information and use of the governing body, management, specific legislative or regulatory bodies, federal awarding agencies, and if applicable, pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

The audit will be conducted in accordance with auditing standards generally accepted in the United States of America; the standards for financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States; the Single Audit Act amendments of 1996; the provisions of OMB Circular A-133 and the provisions of OMB 04-04, and will include tests of accounting records, a determination of major program(s) in accordance with Circulars A-133 and 04-04, and other procedures considered necessary to enable the selected firm to express such an opinion and to render the required reports. If the opinion on the financial statements or the Single Audit compliance opinion is other than unqualified, the selected firm will fully discuss the reasons with the MUA in advance.

Audit Procedures - General

An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; therefore, the audit will involve judgment about the number of transactions to be examined and the areas to be tested. The selected firm will plan and perform the audit to obtain assurance about whether the financial statements are free of material misstatement, whether from error, fraudulent financial reporting, misappropriation of assets, or violations of laws or governmental regulations that are attributable to the entity or to acts by management or employees acting on behalf of the entity. As required by the Single Audit Act Amendments of 1996, OMB Circular A-133 and New Jersey OMB Circular 04-04, the audit will include tests of transactions related to State Award and Loan Programs for compliance with applicable laws and regulations and the provisions of contracts and grant agreements. The selected firm will inform the MUA of any material errors and any fraudulent financial reporting or misappropriation of assets that come to their attention. The selected firm will also inform the MUA of any other violations of laws or governmental regulations that come to their attention unless clearly inconsequential. The selected firm will include such matters in the reports required for a Single Audit.

The selected firm's procedures will include tests of documentary evidence supporting the transactions recorded in the accounts and will include tests of the physical existence of inventories and direct confirmation of receivables and certain other assets and liabilities by correspondence with selected individuals, creditors, and financial institutions.

Audit Procedures - Internal Controls

The selected firm will obtain an understanding of the design of the relevant controls and whether they have been placed in operation, and the firm will assess control risk. Tests of controls may be performed to test the effectiveness of certain controls that the firm considers relevant to preventing and detecting errors and fraud that are material to the financial statements and to preventing and detecting misstatements resulting from illegal acts and other noncompliance matters that have a direct and material effect on the financial statements.

As required by OMB Circular A-133 and New Jersey OMB Circular 04-04, the selected firm will perform tests of controls to evaluate the effectiveness of the design and operation of controls that they consider relevant to preventing or detecting material noncompliance with compliance requirements, applicable to each major award program.

The selected firm will inform the governing body or audit committee of any matters involving internal control and its operation that it considers to be reportable conditions under standards established by the American Institute of Certified Public Accountants. Reportable conditions involve matters coming to the firm's attention relating to significant deficiencies in the design or operation of the internal control that, in the firm's judgment, could adversely affect the entity's ability to record, process, summarize, and report financial data consistent with the assertions of management in the financial statements. The firm will also inform the MUA of any nonreportable conditions or other matters involving internal control, if any, as required by OMB Circular A-133 and OMB Circular 04-04.

Audit Procedures - Compliance

The audit will be conducted in accordance with the standards referred to in the section titled Audit Objectives. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, the selected firm will perform tests of the Atlantic City Municipal Utilities Authority's compliance with applicable laws and regulations and the provisions of contracts and agreements, including grant agreements.

OMB Circular A-133 and New Jersey OMB Circular 04-04 requires that the selected firm also plan and perform the audit to obtain reasonable assurance about whether the auditee has complied with applicable laws and regulations and the provisions of contracts and grant agreements applicable to major programs. The procedures will consist of the applicable procedures described in the OMB Circular A-133 Compliance Supplement and New Jersey OMB Circular 04-04 Compliance Supplement. The purpose of the those procedures will be to express an opinion on the Atlantic City Municipal Utilities Authority's compliance with requirements

applicable to major programs in the report on compliance issued pursuant to OMB Circular A-133 and New Jersey OMB Circular 04-04.

ARTICLE IV SERVICES TO BE PROVIDED

4.1 REVIEW OF REPORTS

The MUA shall review all information submitted by the Accounting Firm in this regard and provide direction within a reasonable period of time of the receipt of submittal. The Accounting Firm shall not proceed with subsequent stages of the contract until the MUA has completed its review and is given written concurrence with the Accounting Firm's recommendations.

4.2 DOCUMENTS

The Accounting Firm shall provide draft copies of all documents, ten (10) final copies of all documents and all final documents shall be delivered in electronic format (email or CD) prior to final payment.

4.3 AWARD OF CONTRACT

After receipt of proposals for the construction work, the MUA Official shall be responsible for recommending a course of action to the Board of Directors. The MUA Official shall consult the Accounting Firm on the evaluation of the bids received in the preparation of recommending a course of action.

4.4 PAYMENT TO ACCOUNTING FIRM AND CONTRACTOR

The Accounting Firm shall prepare all MUA vouchers for payment to the Accounting Firm.

ARTICLE V TIME SCHEDULE AND LIQUIDATION DAMAGES

5.1 TIME SCHEDULE

The following time schedule shall be adhered to in the performance of all professional accounting services intended under this contract:

YEAR 2021:

2021 Audit Review completed by April 30, 2021

5.2 LIQUIDATED DAMAGES

Time is of the essence in the performance of the professional accounting services required for this project. The Accounting Firm agrees to the following assessment of liquidated damages for each MUA Business Day that the Accounting Firm exceeds the agreed upon time schedule for the project. This fee shall be deducted from any payment due or to become due the Accounting Firm, and it is mutually agreed that this fee constitutes liquidated damages and not a penalty.

AMOUNT OF LIQUIDATED DAMAGES PER MUA BUSINESS DAY: \$100

Both contractual parties confirm the above-liquidated damages provision, but agree nevertheless, that said provisions shall be subject to delays caused by acts of God, which the Accounting Firm could not have reasonably foreseen and provided against, and delays caused by any strikes, boycotts, or like obstructive actions of employees which are beyond the control of the Accounting Firm and which he cannot reasonably overcome.

ARTICLE VI COMPENSATION AND PAYMENT

6.1 FINANCIAL RECORDS

The Accounting Firm shall maintain books, records, documents and other evidence and accounting procedures and practices sufficient to reflect properly all direct and indirect costs, of whatever nature, claimed to have been incurred and anticipated to be incurred for the performance of this contract until the expiration of three (3) years from the date of final payment under this contract. The system of accounting will be in accordance with generally accepted accounting principals and practices and shall be consistently applied.

The Accounting Firm shall permit the authorized representatives of the MUA and other affected governmental agencies to inspect and audit all books, records, documents and other supporting data and documentation relating to its performance under the contract. These rights of audit shall extend for a period of three (3) years following final payment under this contract.

In the event the funds paid to the Accounting Firm under this contract are subsequently properly disallowed by the MUA because of accounting errors or charges not in conformity with this contract, the Accounting Firm shall refund such disallowed amount to the MUA promptly.

If the contract is completely or partially terminated, the records relating to the work terminated shall be preserved and made available for a period of three (3) years from the date of any resulting final settlement.

Records which relate to appeals, litigation or the settlement of claims arising out of the performance of this contract, or costs and expense of this contract to which exception has been taken by the MUA, or by any of its duly authorized representatives, shall be retained until the expiration of three (3) years from the date of final payment under this contract or until such appeals, litigations, claims or exceptions have been disposed of, whichever occurs later.

6.2 CONTRACT CEILING:

Regardless of the method of compensation, the total compensation to be paid to the Accounting Firm by the MUA on account of this project as provided herein, shall not exceed the amount of the approved contract.

Changes issued by the MUA pursuant to the Scope of Services shall not constitute authorization by the MUA to exceed the contract ceiling except to the extent that provisions to such affect are set forth in said changes. In the event the actual costs of the professional services overrun the contract ceiling as a result of the Accounting Firm's deviations from the Scope of Services, which deviations are not directed or authorized in writing by the MUA, the Accounting Firm will absorb for its own account, one hundred (100%) per cent of the amount of said overrun.

6.3 METHOD OF COMPENSATION:

The Accounting Firm shall submit its invoice to the MUA's Comptroller, and it shall be due and payable by the MUA, conditionally pending audit review, prior to the end of the following month.

For the performance of this contract, the MUA shall compensate the Accounting Firm according to the following schedule:

YEAR 2021:	AMOUNT
Flat Audit Fee	_____

The compensation provided for herein, which remains unpaid after final acceptance by the MUA, for the total project shall be paid to the Accounting Firm by the MUA within thirty (30) days after a final audit by the authorized representatives of the MUA.

ARTICLE VII. ACCOUNTING FIRM INFORMATION

PROJECT _____ DATE: _____.

7.1 FIRM NAME: _____.

Mailing address: _____.

Telephone Number: _____.

If incorporated, under what State Laws: _____.

7.2 ACCOUNTING FIRM'S PROJECT MANAGER TO BE ASSIGNED TO THIS PROJECT

Name: _____.

Title: _____.

7.3 ACCOUNTING FIRM'S PERSONNEL TO BE USED ON THIS PROJECT:

<u>Name</u>	<u>Tasks</u>	<u>% Time</u>
_____.		
_____.		
_____.		

7.4 ERRORS AND OMISSIONS INSURANCE:

Face Amount: _____.

Insurance Co: _____.

Policy Number: _____.

7.5 WORK SCHEDULE:

If a work schedule is not contained in the Scope of Services, or if it is long or complex, please attach it to this Article VII.

7.6 FEE SCHEDULE:

If the project is done on a PER DIEM basis, or if a long and complex fee schedule is involved, please attach it to Article V.

EXHIBIT A

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE

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

N.J.A.C. 17:27

GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

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

The contractor or subcontractor, where applicable, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Except with respect to affectional or sexual orientation and gender identity or expression, the contractor will ensure that equal employment opportunity is afforded to such applicants in recruitment and employment, and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex. Such equal employment opportunity shall include, but not be limited to the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the Public Agency Compliance Officer setting forth provisions of this non-discrimination clause.

The contractor or subcontractor, where applicable will, in all solicitations or advertisements for employees placed by or on behalf of the contractor, state that all qualified applicants will receive consideration for employment without regard to age, race, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex.

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

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

The contractor or subcontractor agrees to make good faith efforts to afford equal employment opportunities to minority and women workers consistent with Good faith efforts to meet targeted

county employment goals established in accordance with N.J.A.C. 17:27-5.2, or Good faith efforts to meet targeted county employment goals determined by the Division, pursuant to N.J.A.C. 17:27-5.2.

The contractor or subcontractor agrees to inform in writing its appropriate recruitment agencies including, but not limited to, employment agencies, placement bureaus, colleges, universities, labor unions, that it does not discriminate on the basis of age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

The contractor or subcontractor agrees to revise any of its testing procedures, if necessary, to assure that all personnel testing conforms with the principles of job-related testing, as established by the statutes and court decisions of the State of New Jersey and as established by applicable Federal law and applicable Federal court decisions.

In conforming with the targeted employment goals, the contractor or subcontractor agrees to review all procedures relating to transfer, upgrading, downgrading and layoff to ensure that all such actions are taken without regard to age, creed, color, national origin, ancestry, marital status, affectional or sexual orientation, gender identity or expression, disability, nationality or sex, consistent with the statutes and court decisions of the State of New Jersey, and applicable Federal law and applicable Federal court decisions.

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

Letter of Federal Affirmative Action Plan Approval
Certificate of Employee Information Report
Employee Information Report Form AA302

The contractor and its subcontractors shall furnish such reports or other documents to the Division of Public Contracts Equal Employment Opportunity Compliance as may be requested by the office from time to time in order to carry out the purposes of these regulations, and public agencies shall furnish such information as may be requested by the Division of Public Contracts Equal Employment Opportunity Compliance for conducting a compliance investigation pursuant to **Subchapter 10 of the Administrative Code at N.J.A.C. 17:27.**

MANDATORY EQUAL EMPLOYMENT OPPORTUNITY LANGUAGE
N.J.S.A. 10:5-31 et seq. (P.L. 1975, C. 127)
N.J.A.C. 17:27

GOODS, PROFESSIONAL SERVICE AND GENERAL SERVICE CONTRACTS

The undersigned vendor further agrees to furnish the required forms of evidence and understands that their contract/company's bid shall be rejected as non-responsive if said contractor fails to comply with the requirements of N.J.S.A. 10:5-31 and N.J.S.A. 17:27

Representative's Name/Title (Print): _____

Representative's Signature: _____

Name of Company: _____

Tel. No.: _____ **Date:** _____

DISCLOSURE OF INVESTMENT ACTIVITIES IN IRAN

Project Name: _____

Bidder Name: _____

PART 1: CERTIFICATION
BIDDERS MUST COMPLETE PART 1 BY CHECKING EITHER BOX

FAILURE TO CHECK ONE OF THE BOXES WILL RENDER THE PROPOSAL NON-RESPONSIVE

Pursuant to Public Law 2012, c.25, any person or entity that submits a bid or proposal or otherwise proposes to enter into or renew a contract must complete the certification below to attest, under penalty of perjury, that NEITHER the person or entity, nor any of its parents, subsidiaries, or affiliates, is identified on the Department of Treasury Chapter 25 list as a person or entity engaging in investment activities in Iran. The Chapter 25 list is found on the Division’s website at <http://www.state.nj.us/treasury/purchase/pdf/Chapter25List.pdf>. Bidders **must** review this list prior to completing the below certification. **Failure to complete the certification will render a bidder’s proposal non-responsive.** If the New Jersey Director of the Division of Purchase and Property finds a person or entity to be in violation of law, he/she shall take action as may be appropriate and provided by law, rule or contract, including but not limited to, imposing sanctions, seeking compliance, recovering damages, declaring the party in default and seeking suspension of the party.

PLEASE CHECK THE APPROPRIATE BOX:

- I certify, pursuant to Public Law 2012, c.25, that neither the bidder listed above nor any of the bidder’s parents, subsidiaries, or affiliates listed on the N.J. Department of the Treasury’s list of entities determined to be engaged in prohibited activities in Iran pursuant to P.L. 2012, c.25 (“Chapter 25 List”). I further certify that I am the person listed above, or I am an officer or representative of the entity listed above and am authorized to make this certification on its behalf. I will skip Part 2 and sign and complete the Certification below: OR**
- I am unable to certify as above because the bidder and/or one of its parents, subsidiaries, or affiliates is listed on the Department’s Chapter 25 List. I will provide a detailed, accurate and precise description of the activities in Part 2 below and sign and complete the Certification below. Failure to provide such will result in the proposal being rendered as non-responsive and appropriate penalties, fines and/or sanctions will be assessed as provided by law.**

PART 2: PLEASE PROVIDE FURTHER INFORMATION RELATED TO INVESTMENT ACTIVITIES IN IRAN.

You must provide a detailed, accurate and precise description of the activities of the bidding person/entity, or one of its parents, subsidiaries or affiliates, engaging in the investment activities in Iran outlined above by completing the boxes below.

PLEASE PROVIDE THOROUGH ANSWERS TO EACH QUESTION. IF YOU NEED ADDITIONAL ROOM, ADD ADDITIONAL PAGES.

Name _____ Relationship to Bidder/Owner _____

Description of Activities _____

Duration of Engagement _____ Anticipated Cessation Date _____

Bidder/Offeror Contact Name _____

Certification: I, being duly sworn upon my oath, hereby represent and state that the foregoing information and any attachments thereto to the best of my knowledge are true and complete. I attest that I am authorized to execute this certification on behalf of the above-referenced person or entity. I acknowledge that the State of New Jersey and the Owner of the project are relying on the information contained herein and thereby acknowledge that I am under a continuing obligation from the date of this certification through the completion of any contracts with the State of New Jersey and the Owner to notify the State of New Jersey and the Owner in writing of any changes to the answers of information contained herein. I acknowledge that I am aware of that it is a criminal offense to make a false statement or misrepresentation in this certification, and if I do so, I recognize that I am subject to criminal prosecution under the law and that it will also constitute a material breach of my agreement(s) with the State of New Jersey and/or the Owner and that the State and/or the Owner at its option may declare any contract(s) resulting from this certification void and unenforceable.

Full Name (Print): _____ Signature: _____

Title: _____ Date: _____

ATLANTIC CITY MUNICIPAL UTILITIES AUTHORITY

DISCLOSURE OF OWNERSHIP STATEMENT

Every corporation and/or partnership submitting a bid on public work is required by P.L. 1977, c. 33 to list the names and addresses of all stockholders and/or partners who own ten per cent (10%) or more of any class of stock in the corporation or interest in the partnership. If there are no such stockholders or partners, so state by indicating "NONE".

FULL NAME OF ENTITY: _____

LEGAL STATUS (CORPORATION, PARTNERSHIP, OTHER): _____

STATE OF CREATION OR INCORPORATION: _____

FEDERAL ID NUMBER: _____

PRINCIPAL BUSINESS ADDRESS: _____

PHONE: _____ FAX: _____

NAMES AND ADDRESSES OF PERSONS HOLDING GREATER THAN 10% INTEREST:

NAME	ADDRESS
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

I certify that the above list is complete. If one or more of the above is itself a corporation or partnership, I have annexed hereto the names and addresses of all persons owning a 10% or greater interest in said corporation or partnership.

CHECK HERE IF ADDITIONAL SHEETS ARE ATTACHED: ____ NUMBER OF SHEETS: _____

I certify that the foregoing statements made by me are true and that I am aware that if any statement made herein is willfully false I am subject to punishment.

Dated:

SIGNATURE

PRINT NAME AND TITLE

