RESOLUTION AWARDING A CONTRACT THROUGH A FAIR AND OPEN PROCESS IN ACCORDANCE WITH N.J.S.A. 19:44 A-20.4 ET SEQ TO MERCADIEN, P.C., 3625 QUAKERBRIDGE ROAD, HAMILTON, NEW JERSEY 08619 TO PROVIDE MUNICIPAL AUDITING SERVICES FOR A PERIOD OF ONE YEAR IN AN AMOUNT NOT TO EXCEED $78,000.00 - RFP# 2015-17

WHEREAS, the City of Trenton has a need for Municipal Auditing Services for the Department of Finance; and

WHEREAS, the proposals were advertised on May 1, 2015, and five (5) proposals were received on May 20, 2015 and were evaluated by a committee based on criteria that included, experience, understanding of requirements and cost; and

WHEREAS, the proposal of Mercadien, P.C., 3625 Quakerbridge Road, Hamilton, New Jersey 08619 was deemed to have the necessary qualifications and expertise for the performance of the services at the rates budgeted; and

WHEREAS, funds in an amount not to exceed $78,000.00 for a period of one year have been certified to be available in the following accounts numbers: 6-01 - 30-3020-290 ($34,320.00), 6-05 - 30-3900-899 ($22,620.00), 6-07 - 30-3000-290 ($17,160.00) and 6-26 - 60-6020-290 ($3,900.00 contingent upon the adoption of the temporary or final budget for the 2016 year; and

NOW, THEREFORE BE IT RESOLVED, by the City Council of the City of Trenton, that:

1. The Mayor is authorized to enter into contract with Mercadien, P.C., 3625 Quakerbridge Road, Hamilton, New Jersey 08619 in an amount not to exceed $78,000.00 for a period of one year.

2. This contract is awarded pursuant to the authority set forth in the Local Public Contracts Law at N.J.S.A. 40A:11-41.

3. A notice of this action shall be printed once in the official newspaper for the City of Trenton and the Resolution and contract shall remain on file in the City Clerk's Office.

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This Resolution was adopted at a Meeting of the City Council of the City of Trenton on AUG 06 2015.

President of Council

City Clerk
PROFESSIONAL SERVICES CONTRACT
RFP # 2015-17
RESOLUTION #15-497

THIS CONTRACT, made this 7th day of AUGUST 2015 by and between the City of Trenton, a municipal corporation of the State of New Jersey, ("City") and MERCADIAN, P.C.

WHEREAS, the City has need for PROFESSIONAL SERVICES to provide Municipal Auditing Services for the City of Trenton, Department of Finance.

WHEREAS, Contractor agrees to perform Professional Services in terms and conditions as set forth hereinafter, and the City being agreeable thereto;

NOW THEREFORE, the parties mutually agree as follows:

PROFESSIONAL SERVICES: The City agrees to award a contract with the Mercadien, P.C., 3625 Quakerbridge Road, Hamilton, NJ 08619 for the City of Trenton, Department of Finance.

1. SCOPE OF SERVICES: The contractor warrants that the representations made by it regarding its ability and skill level to carry out these services are true. Contractor shall, in a good, professional and workmanlike manner, in conformity with the responsibilities, demands and ethics of their profession, perform all reasonable and necessary services as described as follows:

   • This contract is exclusive of consulting accountant services to assist with general accounting, financial statement preparation or budget. These services will be the subject of a separate competitive contract.
   • Audit fieldwork will be designed to provide reasonable assurance that the financial statements are free from material misstatement. In performing the audit the auditor shall follow governmental auditing standards as set forth by the US Comptroller General "Yellow Book" as well as audit requirements promulgated by the NJ Division of Local Government Services.
   • Conduct an annual audit of the books and records for the City of Trenton for the Calendar Year ending June 30, 2015
      • Audit field work shall begin no later than September 1, 2015
      • The audit shall be completed within six months after the close of the fiscal year.
      • The governing body of every local unit may by resolution petition the Director of the Division of Local Government Services in the Department of Community Affairs for an extension to complete and file the annual audit with the division. Upon good cause being shown the director may grant an extension upon whatever terms or conditions he may deem reasonable. The determination of the director in the granting of an extension is final.
• Meet with City of Trenton staff to evaluate internal controls and technical competencies. All employees will be directed to assist the chosen auditor in any and every way possible. It is expected that City of Trenton employees will retrieve all documents selected by the auditor for evaluation. Employees will also work with the auditor, as necessary, to analyze all account balances and account activity.

• The Auditor shall meet with the Audit Committee at least three times to discuss audit plans, expectations and progress: prior to audit field work, mid-way through audit field work and upon completing audit field work (exit conference).
  - The Audit Committee shall be comprised of the Municipal Manager/Administrator, the Chief Financial Officer, one (or two) representative(s) from the Governing Body and the DLGS Fiscal Monitor.
  - Additional meetings may be called at the discretion of either the auditor or the City of Trenton.

• Provide comments and recommendations relating to any and all audit findings
  - statutory compliance (particularly NJSA 40A)
  - material weaknesses in internal accounting controls

• Perform an audit of State and Federal Grants as per the “Single Audit” circulars OMB-A133 and NJ 04-04-OMB.
  - The City of Trenton reserves the right to split away the State and Federal Single Audit from the Financial Statement Audit and award each to separate Firms.

• Perform compliance testing on the State MOU required as a result of the transitional aid money that is received.
  - The City of Trenton reserves the right to split away the State MOU testing from the Financial Statement Audit and award each to separate Firms.

• The following list of items is considered non-attest services and, as such, is NOT a part of this RFP. The City of Trenton will at some future time solicit proposals for these non-attest services – “MANAGEMENT ADVISORY SERVICES – ACCOUNTING, FINANCIAL STATEMENT AND BUDGET.” Any person or firm selected to perform audit services shall be considered ineligible to perform these non-audit services and will be precluded from submitting proposal(s).

• Will not prepare or assist in preparing the Annual Financial Statement
  - The auditor will be presented with a completed Annual Financial Statement (State of NJ format) supported by a balanced General Ledger, to which an opinion will be rendered.
  - Audit adjustments shall be presented to the Chief Financial Officer for approval and posting into the General Ledger.
• Will not prepare or assist in preparing the Annual Debt Statement.

• Will not assist or provide advice with regard to the Annual Budget.

• Will not prepare or assist in preparing Offering Statement(s) for debt issuance; other than proving permission to use the audit opinion in the Offering Statement.

• Will not consult or provide advice on any accounting or financial issues; other than recommending General Ledger adjusting entries for items detected during the audit.

• The scope of this engagement is strictly limited to performing the annual audit. Management advisory services, consulting on budget or other financial issues, and accounting or bookkeeping services are expressly excluded.

2. **DURATION OF THE CONTRACT:** This contract shall remain in full force and shall be awarded for a period of one year beginning **July 1, 2015 to June 30, 2016** in the amount not to exceed **$78,000.00**.

3. **COMPENSATION:**

   (a) All work performed by Contractor according to the attached scope of services.

   (b) Contractor shall submit monthly bills complete with appropriate support documentation to justify said billing;

   (c) In no event during the terms of this Contract, Contractor’s billings shall hereunder exceed the amount set forth in Resolution No. 15-497 which is incorporated herein by reference. In the event Contractor anticipates exceeding the aforesaid contract amount, the Independent Contractor, shall give prior written notice to the City of Trenton, Department of Finance.

4. **STATUS OF CONTRACTOR:** It is expressly understood by and between the parties hereto that the status of the Contractor retained to carry out the services set forth in this agreement is that of an Independent Contractor. It is further understood by and between the parties that is not intended nor shall it be construed, that the contractor is an agent, employee, or officer of the City of Trenton.

5. **NOTICES:** Any notices required to be delivered to either party pursuant to this Contract shall be in writing to their respective addresses. The parties shall be responsible for notifying each other of any change of address.
6. **INTEGRATION:** RFP2015-17 and this contract constitute the entire agreement between the parties and any representation that may have been made prior to the execution of this Contract are nonbinding, void, and of no effect and neither party has relied on any such prior representations in entering into this Contract.

7. **ENFORCEABILITY:** If any term or condition of this Contract or its application to any party or circumstances shall be deemed invalid or unenforceable, the remainder of the Contract and its application to other parties and circumstances shall not be affected.

8. **GOVERNING LAW:** This Contract shall be governed by the laws of the State of New Jersey.

9. **MISCELLANEOUS PROVISIONS:**

Contractor, will not discriminate against any employee or applicant for employment because of age, race, creed, color, national origin, ancestry, marital status, sex, gender identity or expression, affectional or sexual orientation, disability or nationality. Contractor will take affirmative action to ensure that such applicants are recruited and employed and that employees are treated during employment, without regard to their age, race, creed, color, national origin, ancestry, marital status, sex, affectional, gender identity or expression, sexual orientation. Such action shall include, but is not 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. 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 nondiscrimination clause:

Contractor, 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, sex, gender identity or expression, affectional or sexual orientation. Contractor, where applicable, agrees to comply with the regulations promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time and the American with Disabilities Act.

Contractor, where applicable, agrees to attempt to schedule minority and female workers consistent with the applicable county employment goals prescribed by N.J.A.C. 17:27-5.2 promulgated by the Treasurer pursuant to P.L. 1975, c. 127, as amended and supplemented from time to time or in accordance with a binding determination of the applicable
county employment goals determined by the Affirmative Action Office pursuant to N.J.A.C. 17:27-5.2, amended and supplemented from time to time.

Contractor, where applicable, agrees to inform in writing appropriate recruitment agencies in the area, including 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, sex, gender identity or expression, affectional, sexual orientation, disability or nationality and that it will discontinue the use of any recruitment agency which engages in direct or indirect discriminatory practices.

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

Contractor, where applicable, shall furnish such reports or other documents to the Affirmative Action Office as may be requested by the office from time to time in order to carry out the purposes of these regulations. Contractor shall furnish such information as may be requested by the Affirmative Action Office for conducting a compliance investigation pursuant to Subchapter 10 of the Administrative Code (N.J.A.C. 17:27).

Contractor, shall submit along with the signed contract one of the following as evidence of compliance with N.J.A.C. 17-27:

1. Appropriate evidence that the Independent contractor is operating under an existing Federally approved or sanctioned affirmative action program.


3. An initial employee information report (Form AA#302) provided by the Affirmative Action Office and completed by the contractor in accordance with N.J.A.C. 17:27-4.
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year above written.

ATTEST:

RICHARD M. KACHMAR
CITY CLERK

CITY OF TRENTON

ERIC E. JACKSON
MAYOR