



# PRINCETON UNIVERSITY

Facilities Procurement Office  
E. A. MacMillan Building Annex  
Princeton, New Jersey 08544

**CONSTRUCTION MANAGEMENT SERVICES**

**FOR**

**PROJECT TITLE**

**CONTRACT NUMBER FC100#####**

**WITH**

**FIRM NAME**

**CONTRACT NUMBER FC100#####**  
**CONSTRUCTION MANAGEMENT SERVICES FOR**  
**PROJECT TITLE**

---

**TABLE OF CONTENTS**

**PART I AGREEMENT**

ARTICLE I - THE "CONTRACT" .....	1
ARTICLE II – DEFINITIONS.....	2
ARTICLE III - STATEMENT OF WORK.....	3
ARTICLE IV – AMOUNT OF CONTRACT – GUARANTEED MAXIMUM PRICE .....	3
ARTICLE V - TIME OF PERFORMANCE .....	6
ARTICLE VI – KEY PERSONNEL.....	7
ARTICLE VII – PAYMENTS .....	7
ARTICLE VIII - PROJECT REPRESENTATIVES .....	7
ARTICLE IX - INSURANCE .....	8
ARTICLE X – SUPPLIER DIVERSITY SUBCONTRACTING PLAN.....	9
ARTICLE XI – NEW JERSEY PREVAILING WAGE ACT.....	10
ARTICLE XII - CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT.....	11
ARTICLE XIII – BACKGROUND CHECKS .....	12
ARTICLE XIV - SPECIAL PRICING APPLICABLE TO ALL PRINCETON UNIVERSITY PROJECTS.....	12

**PART II GENERAL TERMS & CONDITIONS FOR GUARANTEED MAXIMUM PRICE TYPE CONSTRUCTION CONTRACTS**

**PART III – BASIS OF ESTIMATE**

**PART IV – GUARANTEED MAXIMUM PRICE BREAKDOWN**

## PART I AGREEMENT

<b>PROJECT/SERVICES</b>	<b>EFFECTIVE DATE OF CONTRACT</b>
<b>Construction Services for Project Title</b>	<b>Month DD, YYYY</b>
<b>THE TRUSTEES OF PRINCETON UNIVERSITY</b>	<b>CONTRACTOR</b>
<b>Princeton University Facilities Contract Administration Office E. A. MacMillan Building Annex Princeton, NJ 08544</b>	<b>Firm Name Address, City, State, Zip</b>

This Guaranteed Maximum Price (GMP) Construction Services Contract (the "Contract") for the Project Title (the "Project") is made and entered into by and between The Trustees of Princeton University (hereinafter "Princeton University"), a New Jersey not-for-profit corporation existing under the laws of the State of New Jersey, with its principal offices in Princeton, New Jersey, and Firm Name (hereinafter "Contractor"), organized and existing under the laws of the State or Commonwealth of [State] with its principal offices located at the address shown above.

### WITNESSETH

**WHEREAS**, Princeton University desires that the Contractor furnish Construction services more fully described in the documents comprising this Contract; and

**WHEREAS**, the Contractor represents that it is willing and able to provide these services in accordance with the terms of this Contract;

**NOW THEREFORE**, the parties do mutually agree as follows:

#### ARTICLE I - THE "CONTRACT"

(a) This Contract is comprised of the documents listed below (the "Contract Documents"), including all modifications thereof. The Contract Documents are complementary and are intended to include and imply all items reasonably required for the proper execution and completion of the Work (as defined in Clause A1 of the General Terms and Conditions) under this Contract. However, in the event of any conflict between or among the Contract Documents, the documents shall control in the following order:

- (1) **Agreement (Part I)**
- (2) **Basis of Estimate (Part III), which includes:**
  - Assumptions and Clarifications dated *Select Document Date*.
  - Document List dated *Select Document Date*.
- (3) **Guarantee Maximum Price Breakdown (Part IV) dated *Select Document Date*.**
- (4) **General Terms and Conditions for Guaranteed Maximum Price Type Construction Contracts (v8.0 6-2015) (Part II)**

(b) Unless specifically included as a part of the Contract Documents, any and all prior negotiations and writings of every kind concerning this Contract or the Work described herein are superseded and

supplanted by this Contract unless specifically included within the Contract Documents. Specifically, Letter Contract FC100#### (as amended) with the Contractor for Early Start Work for this Project is encompassed into and superseded by this Contract and all costs for the Work thereunder are included as part of the GMP established herein. Any changes to the provisions of this Contract made following the execution of this Contract, including changes to the Contract Documents, shall be made in writing by way of an executed Change Order, as set forth in General Terms & Conditions Clause L5 - Changes Under GMP Contracts.

## ARTICLE II – DEFINITIONS

Definitions applicable to this Contract are found in General Terms & Conditions Clause A1 - Definitions. The following additional definitions are also applicable to this Contract:

(a) The term "Architect-Engineer" as it appears in the Contract Documents shall specifically mean Project Architect, having an office at Project Architect City, State and shall collectively mean the project team assembled and led by the Architect-Engineer including structural, mechanical, electrical and other engineers and all other consultants retained by the Architect-Engineer to design the elements and observe the construction of a complete building structure and system.

(b) The term "Construction Contingency" shall mean that portion of the Construction Cost reserved to cover increased or added costs resulting from circumstances that may not be completely predictable or foreseeable at the time that the Guaranteed Maximum Price (GMP) estimate is established but that can reasonably be assumed to be included within the scope of work for the Project and presumed to have been included in but was omitted from the GMP estimate. Examples of circumstances that may give rise to the use of Construction Contingency include but are not limited to:

- (1) Utility coordination by the Contractor or a subcontractor at any tier.
- (2) Purchasing, estimating, and scheduling difficulties (e.g., Changes in local material or labor market conditions at time of bidding; or, items that were missed in the final GMP estimate but that are required expressly or by necessary implication by the contract documents for a complete Project; or, buyout overruns that significantly exceed the GMP estimate for the trade line(s) involved).
- (3) Detail refinement (i.e., minor items or material selections required to complete a detail that may have not been fully developed in the design documents or that were familiar to the Contractor from their work on previous Princeton University Projects).
- (4) The reprourement of the services of a subcontractor at any tier due to termination for any reason, excluding any reprourement costs that would be covered by Subcontractor Default Insurance (SDI) if included in this contract and any legal costs which are unallowable.

The above list is meant to be illustrative and Princeton University, in its discretion, may determine that there are other circumstances that meet the general definition for use of Construction Contingency; however, the Construction Contingency is not intended to fund additional scope or to fund additional cost of allowances beyond the dollar values included in the GMP (except as described in Article IV(c)(3)).

(c) The term "Cost of the Work" or "Cost" as it appears in this Contract is further defined in General Terms & Conditions Clause L4 - Cost of the Work—GMP Contracts and represents the Contractor's estimated or actual costs (excluding fee) to perform the Work and the Contractor's other obligations under this Contract.

(d) The term "Contractor's Fee" as it appears in this Contract shall specifically mean the amount payable to the Contractor above, beyond, and in addition to the actual Cost of the Work.

**ARTICLE III - STATEMENT OF WORK**

(a) **General.** The Contractor shall furnish all labor, equipment, material and supervision to complete the Work shown in the Contract Documents listed or referred to in Article I hereof for the Project, in accordance with this Contract.

(b) **Building Information Modeling (BIM).** BIM Services  are  are not included in the scope of this Contract (refer to Section 1.5 of the Princeton University Design Standards Manual, Release 10.0 (August 2014)).

**ARTICLE IV – AMOUNT OF CONTRACT – GUARANTEED MAXIMUM PRICE**

(a) **Guaranteed Maximum Price.** The Contractor shall furnish all items required by the Contract Documents for proper completion of the Work. In full consideration for the performance of the Work and all other obligations of Contractor hereunder, Princeton University agrees to pay the Contractor’s actual costs incurred to perform the Work (“Cost of the Work”) plus the Contractor’s Fee established in accordance with this Contract the sum of which is guaranteed not to exceed the total amount of **\$xxx,xxx,xxx (Enter dollar value text)**. The elements comprising this GMP amount are more fully detailed in the Guaranteed Maximum Price Breakdown set forth in Part IV and are summarized here as follows –

Subcontractor/Trade Costs	\$xx,xxx,xxx
General Requirements	\$x,xxx,xxx
Subtotal Direct Work	\$xx,xxx,xxx
General Conditions	\$x,xxx,xxx
Subtotal Construction Costs	\$xxx,xxx,xxx
GL/WC/Excess Insurance <sup>(1)</sup>	\$x,xxx,xxx
Subcontractor Default Insurance (SDI) <sup>(2)</sup>	\$x,xxx,xxx
Builders Risk Insurance (BRI)	\$xxx,xxx
<b>Total Cost of the Work</b>	<b>\$xxx,xxx,xxx</b>
Construction Contingency	\$x,xxx,xxx
Contractor’s Fixed Fee <sup>(3)</sup>	\$x,xxx,xxx
<b>TOTAL Guaranteed Maximum Price (GMP)</b>	<b>\$xxx,xxx,xxx</b>

For purposes of this GMP, calculations of the insurance and fee amounts included in the GMP as shown above have been made using the following rates and bases and billing and/or adjustments to the GMP shall be consistent with the same --

- (1) The GL/WC/Excess Insurance rate is x.x% applied to Construction Costs.
- (2) The Subcontractor Default Insurance rate is x.x% applied to Subcontractor/Trade Costs (refer to Article IX(d) for further information regarding the calculation, adjustment and payment of SDI costs).
- (3) The Contractor’s Fixed Fee amount has been calculated based on x.x% of [base should be customized as per agreement for the specific Contract]

The Cost of the Work and the Guaranteed Maximum Price may be increased or decreased resulting from changes to the Work made by the issuance of approved Change Orders as provided for in this Article and in accordance with General Terms & Conditions Clause L5 – Changes Under GMP Contracts.

(b) **General Conditions.**

(1) The Contractor guarantees that the actual costs incurred for its General Conditions shall not exceed the amount of \$X,XXX,XXX as more fully detailed in the Guaranteed Maximum Price Breakdown set forth in Part IV and that all costs or expenses in excess of this amount shall be borne by the Contractor unless adjusted by Change Order. Should a change or adjustment to the General Conditions amount be required, the Contractor shall submit a separate Change Order Request exclusively addressing General Conditions and shall include supporting rationale for the change. Change Order Requests addressing changes to the Work shall not intermingle costs or expenses for General Conditions. The Contractor is not entitled to fee assessed on General Conditions costs and expenses and such costs shall not be included in any calculations to establish or adjust the Contractor’s Fee in accordance with Paragraph (c) below.

(2) **Hourly Billing Rates.** The Parties have agreed to the fully-burdened Hourly Billing Rates set forth below for the Contractor’s salaried project administration and field supervision staff and other direct-hire labor included as part of the General Conditions for this project. These billing rates have been established solely for the purpose of comprehensive reimbursement of the Contractor’s General Conditions labor costs by Princeton University (including, but not limited to, actual salaries, wages, bonuses, benefits, payroll taxes, insurance, and other labor-related overheads and burdens but excluding fee).

Individual/Labor Category	Hourly Rate

These Hourly Billing Rates are subject to audit and shall be adjusted either up or down as a result of the audit review. Any General Conditions amounts billed to date shall then be adjusted accordingly and a billing credit or charge applied on a subsequent payment application; however, there shall be no adjustment made to the GMP amount for General Conditions and any increases resulting from adjustments to these Hourly Billing Rates shall be absorbed in the GMP.

Prior to increasing rates for existing staff or adding any new staff to the project team, the Contractor shall provide hourly billing rates for Princeton’s consideration and incorporation into the contract.

(3) **Methodology for Charging Vacation and Holidays.** The Parties have agreed that vacation and holidays will be charged as follows: **[insert applicable language]**

(c) **Adjustment to Contractor’s Fee.** The Contractor’s Fee amount established in this Contract is a fixed amount that shall be adjusted only as provided for in this paragraph. The Contractor is not entitled to fee on individual Change Orders nor shall individual Change Orders cause any modification to the Contractor’s Fee. However, upon completion of the Work, if the cumulative total of all Change Orders has resulted in a net increase to the Guaranteed Maximum Price of \$X,XXX,XXX.XX or more, then the Contractor’s Fee shall be correspondingly increased by an amount equal to NN% of the cost of the Change Order Work in excess of \$X,XXX,XXX.XX. Alternately, if the cumulative total of all Change Orders has resulted in a net decrease to the Guaranteed Maximum Price of \$X,XXX,XXX.XX or more, then the Contractor’s Fee shall be correspondingly decreased by an amount equal to NN% of the cost the Change Order Work in excess of \$X,XXX,XXX.XX. When calculating the cumulative total of all Change Orders, amounts related to the following shall be excluded from any and all fee calculations or adjustments:

- (1) Any change order issued to adjust the amount established for General Conditions without regard to the reason for the adjustment.
  - (2) Change orders issued to make adjustments to the amount established for Construction Contingency or Buy-Out Savings or to incorporate changes for which costs are to be paid from Contingency as defined in Article II(b).
  - (3) Change orders issued to incorporate priced Alternates that have been specifically identified in the Contractor's GMP or as part of Subcontractor bids.
  - (4) Change orders issued solely for the purpose of adjusting the GMP amount to add costs related to Work that is within the existing scope of the contract or related to scope previously added by an approved change order. This includes, but is not limited to (i) adjustments to estimated amounts for Allowances identified in the GMP; (ii) costs for Work performed under time & materials (T&M) type field tickets that are related to within-scope Work; or, (iii) adjustments to authorized T&M Work when costs exceed previously established not-to-exceed limits.
  - (5) Change orders issued to make administrative adjustments to the GMP such as those to correct errors or omissions, resolve audit findings, or the final change order issued for the purpose of finalizing the GMP, returning any savings to Princeton University, and/or otherwise adjusting the contract value based on the final GMP amount.
  - (6) Any change orders not authorized or expressly approved by Princeton University in accordance with Clause L5 - Changes Under GMP Contracts.
- (d) **Construction Contingency.** Refer to Article II(b) for definition of and usage guidelines for Construction Contingency. The Contractor shall not presume to use Construction Contingency for any of the listed examples or any other circumstances and each individual transfer into or out of Construction Contingency shall be accounted for and subject to advance review and approval by Princeton University.
- (1) **Contingency Transfers.** The Contractor is responsible for initiating, managing, and reporting on transfers into and out of Construction Contingency. Prior to initiating any Contingency transfer, the Contractor shall submit a written request for approval to Princeton University. The request shall describe the need for the transfer and identify how the transfer will be accounted for within the GMP. Princeton University will promptly consider the request to determine if the transfer should be made from contingency or by another means and will not unreasonably withhold or delay its approval or determination. Contractor shall maintain a log of all contingency transfer requests and shall summarize and include this log with their Monthly Status Reports.
  - (2) **Subcontractor Buyout.** Upon completion of 80% by count of the subcontractor buyouts, Contractor shall prepare and submit a Subcontractor Buyout Report for Princeton's review and approval that lists and summarizes all subcontractor buyouts to date. For each subcontract awarded, the report shall include a list of all trade line items included in the award and compare the total GMP amount for those line items to the actual award value for the subcontract to calculate the "buyout variance" for each subcontract and then tally these to determine if there is an overall net buyout "savings" or "overrun" at that point. If there are net buyout "savings" then that net amount shall be transferred into and treated as a part of the Construction Contingency. Should there be a net buyout "overrun" a transfer out of Construction Contingency may be made after consideration of other mitigating actions that may be available within the GMP.



(3) **Use of Unspent Contingency Savings.** As the Project nears Substantial Completion, it may become apparent from the Contractor’s reports and projections that there may be unspent contingency remaining in the GMP that would otherwise be returned to Princeton University as “savings” pursuant to paragraph (e) below. Princeton University may utilize these “savings” to fund additional scope or other adjustments to the GMP as agreed to by the Parties. These savings transfer transactions shall be implemented via the issuance of “zero dollar” change orders to the Contract.

(e) **Savings.** Upon completion of the Work, the Contractor shall provide to Princeton University a detailed and complete accounting of the Cost of the Work for the Project. Should the actual final Cost plus the Contractor’s Fee be less than the GMP amount as adjusted pursuant to this Contract; the savings shall accrue one hundred percent (100%) to Princeton University and zero percent (0%) to the Contractor. Should, however, the actual final Cost plus the Contractor’s Fee exceed the GMP amount as adjusted pursuant to this Contract; then, the excess amount shall be borne solely by the Contractor.

(f) **Payment Schedule.** Prior to the submission of the first Application for Payment, Contractor shall prepare and submit for Princeton University’s review and written approval a proposed schedule of values (trade breakdowns) and fee payment schedule. This shall be the basis for the Contractor’s monthly Applications for Payment.

(g) **Limitation of Markup.** Contractor shall include in each subcontract a limitation on the markup that Subcontractors can include in their Change Orders. The cumulative total markup (subcontractor markup plus all lower-tier subcontractor markups) shall not exceed fifteen percent (15%) of the direct cost of the change.

**ARTICLE V - TIME OF PERFORMANCE**

(a) The Work to be performed under this Contract shall commence on Month ##, 20##. Subject to authorized adjustments, Contractor shall achieve the following Schedule Milestone dates:

*[The following list contains examples of the milestones that may be tracked for a construction project. The list to be incorporated into the final contract will be tailored to address the specific requirements for the Project by Princeton and may include these or other milestones not listed here.]*

Milestone	Schedule Date
Site Mobilization	
Start Demolition	
Start Excavation	
Start Foundations	
Substructure Complete	
Building Enclosure Complete (water-tight condition)	
MEP Systems Complete	
Conveying Systems Complete	
Interior Construction Complete	
Security Testing Complete	
Substantial Completion	
Certificate of Occupancy	
Punch List Complete	
Contract Closeout	



(b) Contractor acknowledges that time is of the essence in the performance of the Work under this contract. Any adjustments to the dates specified above may be made only as authorized in writing by Princeton University.

**ARTICLE VI – KEY PERSONNEL**

The personnel specified below are considered to be key personnel in accordance with Clause B3 – Key Personnel of the General Terms and Conditions:

Name, Title	Name, Title
Name, Title	Name, Title

**ARTICLE VII – PAYMENTS**

(a) In accordance with General Terms & Conditions Clause L6 – Payments Under GMP Contracts, the Contractor shall prepare and submit monthly invoices or “Applications for Payment” for Work performed under this Contract.

(b) Invoices shall contain sufficient detail and supporting documentation as required by Clause L6 of the General Terms and Conditions. Invoices shall be typed or computer-generated and include the following minimum information: FPO Contract Number **FC100####**; Contractor’s company/business name; a sequential invoice number or other unique invoice identifier; the invoice amount; and the invoice date. Invoice documents together with any required supporting documentation shall be scanned or converted into a single PDF file. Contractor shall electronically submit the invoice to Princeton University by uploading the PDF file through the FPO Contract Payment Request Portal website located at: <https://facnet.princeton.edu/invoice/>.

(c) The Contractor shall not invoice for nor will Princeton University pay amounts in excess of the established Guaranteed Maximum Price as set forth in Article IV. All amounts invoiced and paid under this Contract shall be in U.S. Dollars (\$) and are not subject to currency fluctuation.

(d) Payment will be made to the Contractor within 30 days after receipt by Princeton University of an invoice that is submitted in proper form and substance. Release of payment will be conditioned upon review and approval of the invoice by the Princeton University Administrative Representative and the Project Manager designated in Article IX for this Contract.

**ARTICLE VIII - PROJECT REPRESENTATIVES**

(a) The Contractor’s designated representatives for this contract and the project are:

<b>Contractor's Project Manager</b>	<b>Project Manager</b>
<b>Contractor's Administrative Rep</b>	<b>Administrative Representative</b>

(b) Princeton University’s designated project and administrative representatives (individually and collectively herein “Princeton University Representatives”) are:

<b>Princeton Project Manager Name</b>	<b>Technical Representative</b>
<b>Princeton Contract Administrator Name</b>	<b>Administrative Representative</b>

(c) Agreements and/or actions taken by the Contractor that, by their nature, effect a change to this Contract, shall only be binding upon Princeton University when such change or action is specifically authorized in writing in advance by one of the Princeton University Representatives listed above. Therefore, any Work or change undertaken by the Contractor at the direction of anyone other than a Princeton University Representative, or without the prior written authorization of a Princeton University Representative, is at the Contractor’s own risk.

ARTICLE IX - INSURANCE

(a) Prior to beginning any of the Work on the Project or at the time of execution of this Contract, whichever occurs first, the Contractor shall establish, maintain and keep in force policies for minimum insurance coverage as indicated in Clause G1 of the General Terms and Conditions set forth in Part IV including the minimum coverage for General Liability as indicated below:

General Liability:

Each Occurrence.....Select applicable coverage limit...
General Aggregate.....Select applicable coverage limit...

Excess Liability:

General Aggregate.....Select applicable coverage...

(b) Prior to or within ten (10) consecutive calendar days after award of this Contract and, under any circumstances, prior to the Contractor entering Princeton University’s premises to begin Work under this Contract –

(1) The Contractor shall submit an insurance certificate(s) evidencing compliance with all requirements for insurance coverage to Princeton University’s Contract Administrator for review and approval; and,

(2) In accordance with subparagraph G1(a)(7), the Contractor shall require and verify compliance with the insurance requirements by any Subcontractor that may be engaged by the Contractor for Work under this Contract.

(c) All Risk Coverage. All Risk Coverage for the Project shall be provided by:

- [ ] Princeton University pursuant to Clause G1(b)(1)
[X] Contractor pursuant to Clause G1(b)(2)

(d) Subcontractor Default Insurance (SDI) [X] is [ ] is not applicable to this Contract.

(1) The Contractor has elected to provide Subcontractor Default Insurance (“SDI”), for which the Contractor shall be reimbursed at an amount calculated using an absolute rate of \$X.XX per \$1,000 of subcontracted volume. Total subcontracted volume is the amount for total direct work as shown in the Part IV Guaranteed Maximum Price Breakdown. Unless otherwise agreed to by Princeton University in writing, total subcontract volume shall not include low-risk purchased services typically included in general conditions and/or general requirements (such as, but not limited to, scheduling, surveying, transportation, traffic control, snow removal, dumpster, portable toilets, cleaning, etc.), nor shall it include contingency or subcontractors covered by a performance or payment bond. The SDI amount shall be invoiced and payable, without retention or retainage of any kind, at the time the first application for payment is submitted.

(2) This amount calculated as described above for SDI reimbursement will be based upon the total subcontracted volume included in the GMP; therefore, whenever the total subcontracted volume amount is revised (i.e., upon the 80% subcontractor buyout milestone, upon issuance of change orders, etc.), the SDI amount shall also be revised using an absolute rate of \$X.XX per \$1,000 of the net increase or decrease in the subcontracted volume amount. The revised SDI amount shall be reflected in a subsequent application for payment. Decreases shall be reflected as credits to Princeton University. Increases shall be paid to the Contractor, without retention or retainage of any kind, as a lump sum.

(3) The Contractor shall be responsible for all Subcontractor Default Insurance policy deductibles, co-payments, losses, direct costs, indirect costs, and non-reimbursable costs. All risks and requirements of the Subcontractor Default Insurance are borne solely by the Contractor.

(e) As required by Clause G1, Contractor is responsible for ensuring that Princeton University is notified in advance of any material change to or renewal of any of the insurance coverages during the term of the Contract and, in the event of such changes, Contractor shall provide a new insurance certificate to evidence continued compliance with Princeton University's insurance requirements.

#### ARTICLE X – SUPPLIER DIVERSITY SUBCONTRACTING PLAN

(a) This Article [ ] is [ ] is not applicable to this Contract.

(b) A supplier diversity subcontracting plan (SDSP) is included in and made a part of this Contract.

(c) Unless otherwise indicated, the SDSP includes:

(1) A statement of the total dollars planned to be subcontracted and a statement of the total dollars planned to be subcontracted to minority-owned business enterprises (MBE's), woman-owned business enterprises (WBE's), veteran-owned business enterprises (VBE's) and LGBT-owned business enterprises (LGBTBE's);

(2) A description of the principal types of supplies or services to be subcontracted and an identification of types planned for subcontracting to minority-owned business enterprises (MBE's), woman-owned business enterprises (WBE's), veteran-owned business enterprises (VBE's) and LGBT-owned business enterprises (LGBTBE's);

(3) A description of the method used to develop the subcontracting planned dollar amounts;

(4) A description of the method used to identify potential sources for solicitation purposes;

(5) The name of the individual who will administer the subcontracting program, and a description of the duties of the individual;

(6) A description of efforts to be taken to ensure that minority-owned business enterprises (MBE's), woman-owned business enterprises (WBE's), veteran-owned business enterprises (VBE's) and LGBT-owned business enterprises (LGBTBE's) have an equitable opportunity to compete for subcontracts;

(7) Assurances that the offeror will include language substantially the same as this language in all subcontracts in excess of \$500,000 that offer further subcontracting opportunities;

(8) Assurances that the information set forth in paragraph (d) below will be submitted in the required intervals so that Princeton University can determine the extent of compliance with the SDSP; and,

(9) A description of the types of records that will be maintained concerning procedures adopted to comply with the requirements and planned dollar and percentage amounts in the SDSP, including establishing source lists; and a description of the efforts to locate minority-owned business enterprises (MBE's), woman-owned business enterprises (WBE's), veteran-owned business enterprises (VBE's) and LGBT-owned business enterprises (LGBTBE's) and to award subcontracts to them.

(d) Reporting Requirements. Prior to final payment, a report including the information listed below shall be submitted to Princeton University's Administrative Representative. If the duration of this Contract exceeds six months, then an interim report shall be submitted semi-annually to cover the Contract period through June 30 and/or December 31 each year in addition to the final report required prior to final payment. Interim reports are due within ten (10) days after the close of each reporting period.

(1) A summary of the bidding process to include total number of bidders solicited, total number of bidders in each supplier diversity category, total number of categories of supplies/services covered, and total number of diverse suppliers selected;

(2) Total subcontract dollars planned, total subcontract dollars actually spent, and percentage of total subcontract dollars actually spent (vs. planned) for the reporting period, or the final figures if a final report;

(3) For each supplier diversity category included in the SDSP, total subcontract dollars planned, total subcontract dollars actually spent, and percentage of total subcontract dollars actually spent (vs. planned) for the reporting period, or the final figures if a final report;

(4) A summary of the primary reasons or rationale for any significant deviations from the planned dollar amounts set forth in the SDSP.

(e) Failure to fulfill the obligations under subparagraph (d) above shall be just cause for Princeton University to withhold payment, including final payment, until compliance is demonstrated to the satisfaction of Princeton University.

#### ARTICLE XI – NEW JERSEY PREVAILING WAGE ACT

(a) This Article  is  is not applicable to this Contract.

(b) Pursuant to the provisions of N.J.S.A. 18A:72A-5.1 et seq., which govern contracts financed in whole or in part by the New Jersey Educational Facilities Authority, the Contractor hereby acknowledges that the Contract is subject to the provisions, duties, obligations, remedies and penalties of the New Jersey Prevailing Wage Act, Chapter 150 of the New Jersey Laws of 1963, New Jersey Department of Labor and Industry, as amended (N.J.S.A. 34: 11-56.25, et seq.).

(c) Wage and fringe benefit rates shall be paid to all workmen as required under N.J.S.A. 34: 11-56.25, et seq. The Contractor shall obtain the applicable Wage Rate Determination, as promulgated by the State of New Jersey Department of Labor and Workforce Development, which is set forth at [www.state.nj.us/labor/lse/lspubcon.html](http://www.state.nj.us/labor/lse/lspubcon.html). The Wage Rate Determination in effect as of the effective date of this Contract shall govern this Contract. The Contractor shall maintain in its file a copy of the applicable Wage Rate Determination, which shall be made available to Princeton University upon request.

(d) The Contractor shall prepare and retain (and shall cause its Subcontractors at all tiers to prepare and submit to the Contractor for retention) Weekly Certified Payrolls in accordance with N.J.S.A. 34: 11-56.25, et seq., commencing with the first of the Contractor's Work on the Project and continuing uninterrupted until the completion of its Work. With each invoice or payment application, the Contractor shall provide a written certification that it has complied with the prevailing wage requirements. Failure of the Contractor to prepare and submit its certification in a timely manner, proper in form and substance, may result in the withholding of progress payment(s) or final payment until such time as the Contractor corrects any such deficiencies with respect to the submission of its certification. In addition, if it is determined that any worker has been paid less than the prevailing wage

required, Princeton University may terminate the Contract or the subcontract in accordance with N.J.S.A. 34: 11-56.27.

(e) The Contractor and each Subcontractor shall maintain records and make them available for inspection in accordance with N.J.S.A. 34: 11-56.29. The Contractor and each Subcontractor shall post the prevailing wage rates in accordance with N.J.S.A. 34: 11-56.32. The Contractor and each Subcontractor shall be registered in accordance with N.J.S.A. 34:11-56.52.

(f) As a condition to final payment under the Contract, the Contractor shall file the written statements required by N.J.S.A. 34: 11-56.33, proper in form and substance.

(g) To the fullest extent permitted by law, the Contractor and each Subcontractor shall defend, indemnify and hold Princeton University and its officers, directors, employees, agents and assigns harmless from and against any and all loss, damage, liability, expense, claims, demands, and causes of action of any kind (including reasonable attorney's fees and administrative costs, incurred by Princeton University), arising or allegedly arising, in any way from or in connection with the Contractor's or any Subcontractor's failure to comply with the New Jersey Prevailing Wage Act, N.J.S.A. 34: 11-56.25, et seq.

#### ARTICLE XII - CONTRACTOR CODE OF BUSINESS ETHICS AND CONDUCT

(a) This Article  is  is not applicable to this Contract.

(b) Contractor's Code of Business Ethics and Conduct:

(1) Within 10 days after contract award, unless the Administrative Representative establishes a longer time period, the Contractor shall:

- (i) Have a written code of business ethics and conduct; and
- (ii) Provide a copy of the code to each employee engaged in performance of the contract.

(2) Within 30 days after contract award, unless the Administrative Representative establishes a longer time period, the Contractor shall establish an ongoing business ethics and conduct awareness program and an internal control system that shall:

- (i) Facilitate timely discovery of improper conduct in connection with Princeton University contracts; and
- (ii) Ensure corrective measures are promptly instituted and carried out. For example, the Contractor's internal control system should provide for:
  - periodic reviews of company business practices, procedures, policies, and internal controls for compliance with the Contractor's code of business ethics and conduct;
  - an internal reporting mechanism, such as a hotline, by which employees may report suspected instances of improper conduct, and instructions that encourage employees to make such reports;
  - internal and/or external audits, as appropriate; and,
  - disciplinary action for improper conduct.

(c) Princeton University Hotline. During the performance of this contract, the Contractor shall prominently display the Princeton University Hotline contact information at contract work sites and off-site offices that support the work site. If the Contractor maintains a company website as a method of

providing information to employees, the Contractor shall include a link to the website for the Princeton University Hotline ([www.princeton.edu/compliance/hotline.html](http://www.princeton.edu/compliance/hotline.html)). The website provides information and instructions for the use of the Hotline. Reports can be submitted online or via phone at 1-866-478-9804.

(d) Subcontracts. The Contractor shall include the substance of this clause, including this paragraph (d), in all subcontracts.

**ARTICLE XIII – BACKGROUND CHECKS**

(a) This Article  is  is not applicable to this Contract.

(b) Contractor shall ensure that background checks are conducted on all persons performing Work at the Project location, and shall exclude from the Project location any individual that does not successfully pass the background check. Background checks shall be performed prior to the start of Work and consist of seven (7) years of history and include, as a minimum, social security number trace, county criminal felony and misdemeanor criminal record search, national criminal record search, and national sex offender registry. For longer term projects, background checks shall be conducted no less than annually. The Contractor shall maintain in its file a copy of the applicable background checks, which shall be made available to Princeton University upon request.

**ARTICLE XIV - SPECIAL PRICING APPLICABLE TO ALL PRINCETON UNIVERSITY PROJECTS**

(a) Princeton University has executed the following Basic Ordering Agreements (BOA) that contain special pricing (i.e. hourly rates, unit prices, discounts, mark-ups, etc.) applicable to all directly contracted or subcontracted work on Princeton University projects:

BOA Number	Supplier	Services
FB00630K	SimplexGrinnell	Fire Alarm Equipment & Services
FB0705000N	Siemens Industry, Inc.	Automatic Temperature Control Equipment & Services
FB0706000N	Automatic Logic Corporation	Automatic Temperature Control Equipment & Services
FB0724000N	Hogan Security Group (Salto Systems, Inc.)	Keyless Lock System & Door Hardware Equipment & Services
FB0732000N	Tremco, Inc.	Roofing Services
FB0738000N	Corporate Security Services, Inc.	Card Access Control System and Door Hardware Equipment and Services
FB1003050N	Kistler O'Brien Fire Protection	Fire Alarm Equipment & Services

(b) The Contractor may subcontract with some or all of the above listed suppliers to provide these services as a part of its Work on the Project. Princeton University has signed non-disclosure agreements with the above listed suppliers that prohibit the disclosure of the BOA pricing outside of Princeton University. Accordingly, Princeton hereby releases the Contractor from its obligation under Clause D2, paragraph (f) of the Contract to set forth the hourly rates, unit prices, or any other pricing element subject to the BOA pricing in its subcontracts with the above listed suppliers. The Contractor shall include a statement in any subcontract with the above listed suppliers referencing the BOA number and listing any of the rates or pricing excluded from the subcontract on the basis of the BOA; however, any lower tier subcontractor rates or other pricing not covered by the BOA shall be disclosed and specifically listed in accordance with Clause D2(e) of the Contract.

(c) Princeton University fully retains its right to audit the subcontract in accordance with Clause I6 of the Contract and, under the terms and conditions of the BOA, retains the right to separately audit any BOA pricing excluded from the subcontract.

CONTINUED ON NEXT PAGE

MODEL DOCUMENT









