



ARIZONA SUPREME COURT

Administrative Office of the Courts
1501 West Washington, Suite 105
Phoenix, Arizona 85007

Request for Proposals

RFP 12-02

Fine/Fees and Restitution Enforcement (FARE)
Program

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SECTION 1 INTRODUCTION AND OVERVIEW

1.1 Introduction

The Arizona Supreme Court (hereinafter referred to as the Court) is requesting proposals from qualified bidders for the continued operation and enhancement of the Fines Fees and Restitution Enforcement (FARE) Program to continue to gain compliance for outstanding financial obligations owed to Arizona courts. These financial obligations result primarily, but not exclusively, from citations issued in the State of Arizona. The intent of the contract is to formalize a private-public partnership between the AOC and the vendor. The purpose of the partnership is to combine the court expertise of the AOC and participating courts with the private sector for collections and citation processing. It is the goal of this partnership to employ “best practices” in making every reasonable effort to enforce court ordered sanctions. It is also the goal of this partnership to privatize routine, non-judicial functions in the courts and allow existing staff to focus on customer service and effective case processing. While the current operation of the FARE program has been extremely successful, this request for proposal invites bidders to provide suggestions for improvement in the FARE structure, processes and services and provide cost estimates accordingly.

The court intends to award a contract with a (5) five-year term, subject to the successful bidder’s continued satisfactory performance as defined by the performance standards negotiated with the successful bidder and included in the contract. This contract may be extended or renewed for up to an additional (5) five years.

Bidders who wish to submit a sealed proposal based upon the specifications and conditions in this document shall submit it by 4:00PM, Arizona Time, **May 22, 2012** in accordance with the schedule below.

The public opening will be conducted on **May 22, 2012 at 4:00PM**, Arizona Time, at the Arizona State Courts Building, 1501 W. Washington, Conference Room **230**, Phoenix, Arizona.

1.2 Proposers’ Conference

A pre-proposal conference will be held on **April 27, 2012 at 1:00PM, Arizona Time** at the Administrative Office of the Courts, 1501 West Washington, Conference Room 230, Phoenix, Arizona.

The Court does not intend to record or disseminate any of the communications that may occur at the Proposers’ Conference, to include questions and answers. Attendance at the Proposers’ Conference is not mandatory; however,

prospective vendors are strongly encouraged to attend. Vendors should be prepared to seek a response to any inquiries, clarifications, or suggested changes to include any submitted in writing prior to the Proposers' Conference, or contemplated to be submitted in writing. Vendors should come to the Proposers' Conference fully prepared to seek clarification and Vendors should not expect that the Court will respond in writing to written questions or inquiries, except as determined necessary to amend the solicitation. The Court makes no warranty of any kind as to the correctness of any oral answers and uses this process solely to provide clarification.

1.3 Proposal Schedule

Activity	Date
a. Request for Proposals (RFP) published	April 12, 2012
b. Deadline to Submit Written Questions	April 19, 2012
c. Proposer's Conference	April 27, 2012
d. Proposal Due Date*	May 22, 2012

The Court reserves the right to deviate from this schedule.

- * **Proposals received after 4:00PM, Arizona Time, May 22, 2012 will be accepted but will not be opened and will not be taken into consideration in the evaluation of proposals.**

1.4 Proposal Evaluation

Following the public proposal opening, proposals will be evaluated based upon the criteria outlined in Section 4 of this document. The contract(s) shall be entered into with the responsible bidder(s) whose proposal is determined in writing to be the most advantageous to the Judicial Branch taking into consideration the evaluation factors set forth in the Request for Proposals. The Court reserves the right (prior to contract award) to inspect a vendor's facilities, and to consider other sources of information to determine evaluation scores.

No other factors or criteria may be used in the evaluation. The amount of any applicable transaction privilege or use tax of a political subdivision of this state is not a factor in determining the most advantageous proposal if a competing bidder located outside of this state is not subject to a transaction privilege or use tax of a political subdivision of this state.

If there are no bidders who adequately meet the Court's specifications and/or budget, the Court reserves the right to reject any or all proposals or parts thereof. This RFP does not commit the Arizona Supreme Court to award any contract or to pay any costs incurred in the preparation of proposals. The Court reserves the

right to accept or reject, in whole or in part, all proposals submitted and/or to cancel this RFP. Multiple contracts may be awarded.

1.5 Proposal Discussions

Discussions may be conducted with responsible bidders who submit proposals determined to be reasonably susceptible to permit a contractual agreement for the purpose of clarification to assure full understanding of, and responsiveness to, the solicitation requirements. Bidders shall be accorded fair treatment with respect to any opportunity for discussion and revision of proposals, and such revisions may be permitted after submissions and before finalization of a contract for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing bidders.

1.6 Americans with Disabilities Act

People with disabilities may request special accommodations such as interpreters, alternative formats, or assistance with physical accessibility. Requests should be made as early as possible to allow time to arrange the accommodation.

If you require special accommodations, please call (602) 452-3329 or text telephone (TDD) 452-3545.

SECTION 2 INSTRUCTIONS AND PROCEDURES

2.1 Necessary Documents

Vendors who wish to submit proposals for RFP 12-02 shall complete all necessary documentation as identified in Section 5 of this Request for Proposals.

2.2 Specifications

The specifications included in this package provide adequate information as to whether or not vendors can meet the needs of the Court. Significant deviations from the specifications may be grounds for disqualification of the proposal.

2.3 Procurement Rules

The Rules Prescribing Procurement Policies and Procedures for the Judicial Branch (hereafter referred to as the Judicial Procurement Rules) adopted by the Arizona Supreme Court in accordance with the provisions of the Arizona Revised Statutes §41-2501.E are incorporated by reference herein and are made a part of this document as if they are fully set forth herein. Copies of these rules can be obtained from Melba Davidson, Arizona Supreme Court at the address referenced on the cover page.

2.4 Subcontractors

The vendor has sole responsibility for any contracts or agreements made with any subcontractors in relationship to this RFP, and shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Proposal.

2.5 Vendor Certification By submission of a proposal, the vendor certifies that:

- A. The vendor has not paid nor agreed to pay any person, other than a bona fide employee, a fee or a brokerage resulting from the award of the contract.
- B. The prices in the proposal have been arrived at independently without consultation, communication, or agreement, for the purpose of restricting competition as to any matter relating to such prices with any other vendor.

2.6 Preparation of the Proposal

- A. Vendors are expected to examine all rules, documents, forms, specifications, standard provisions, and all instructions. These materials can be made available in alternative formats upon request. Failure to do so will be at the vendor's risk.

- B. Each vendor shall furnish all information required by the RFP. The vendor should refer to Section 5 which contains the proposal submittal checklist, to ensure all required materials have been enclosed.

2.7 Definitions

- A. Time: If stated as a number of days, will be calendar days.
B. Shall, Will: Indicates mandatory requirement.
C. Must: Denotes the imperative.
D. Should: Indicates a preference.

2.8 Explanation to Bidders

Any inquiries/questions related to this RFP are to be directed in writing to the contact person below. Any verbal or written inquiries directed to anyone other than the contact person specified below will not be considered. All questions must be submitted by **April 19, 2012** by 5:00PM, Arizona Time to:

Melba Davidson,
Arizona Supreme Court
1501 West Washington, Suite 105
Phoenix, Arizona 85007-3231
Email: mdavidson@courts.az.gov
Fax: (602) 452-3735

Verbal responses to written inquiries will be answered informally at the Proposers' Conference. Verbal responses or instructions shall not constitute an amendment to this Request for Proposal. If deemed necessary, material issues raised at the conference that result in changes to the solicitation will be posted to the Arizona Judicial Department's website. Any explanations or clarifications given at the website will be considered added to the specifications. Interested parties must check the website at <http://www.azcourts.gov/adminservices/Procurement.aspx>

2.9 Submission of Proposal

- A. Sealed proposals are due on or before 4:00PM, Arizona Time, **May 22, 2012** to Melba Davidson, Arizona Supreme Court, 1501 West Washington, Suite 105, Phoenix, Arizona 85007-3231. Proposals must be in the actual possession of the Court on or prior to the exact time and date indicated. Late proposals will not be considered under any circumstances.

- B. **Proposals must be submitted in a sealed envelope with the RFP number and the vendor's name and address clearly indicated on the outside of the package.** All proposals must be completed in ink or be typewritten.
- C. The vendor must submit one (1) original, one (1) digital copy and five (5) copies of each proposal.
- D. Vendors submitting a proposal shall indicate the vendor's name and the RFP number on each page of the document.
- E. Erasures, interlineations, or other modifications in the proposal must be initialed by a person authorized to sign the proposal and contract.
- F. All responses and accompanying documentation will become the property of the Court at the time the proposals are opened.

2.10 Public Opening

A public opening of proposals shall be held at 4:00PM, Arizona Time, **May 22, 2012**, at the Arizona State Courts Building, 1501 W. Washington, Conference Room 230. At that time, the name of each vendor shall be publicly read and recorded. All other information contained in the proposal shall be confidential so as to avoid disclosure of contents prejudicial to competing vendors during the process of negotiation. This record shall be open for public inspection after a contract is entered into. However, where the vendor designates, and the court concurs, trade secrets or other proprietary data contained in the proposal documents shall remain confidential.

2.11 Presentations

The Court may request oral presentations or product demonstrations with any or all of the bidders for purposes of clarification or to amplify the materials presented in any part of the proposal. Any presentations requested will be considered part of the proposal and as such must be paid for by the vendor. The Court will not reimburse for costs related to the development or delivery of any proposals.

2.12 Contract

The contract(s) shall be entered into with the responsible vendor(s) whose proposal is determined in writing to be the most advantageous to the Judicial Branch, taking into consideration the evaluation factors set forth in the RFP.

2.13 Brand Name Only

Except where otherwise noted, any manufacturer's names, trade names, brand names or catalog numbers used in the specifications are for the purpose of describing and/or establishing the specific quality, design, and performance required.

2.14 Financial Stability

Vendor shall demonstrate their financial stability. Vendors shall at a minimum include a copy of their independently audited financial statements from the last three (3) years. Vendors may be requested to provide additional information pertaining to their financial stability as deemed necessary by the Court. Vendor proposals which do not include or do not include sufficient information regarding their financial stability may be negatively impacted.

2.15 References

Vendors shall provide the name and contact information of five customers currently using the solution or product set being proposed. Reference information should include the following data: 1) client name and address, 2) primary contact, telephone number, and email address, 3) length of business relationship with client. The Court shall have the option to contact these customers at its discretion.

2.16 Current Product

All software offered in this solicitation shall be in current and ongoing production, shall have formally been announced for general marketing purposes, shall be a version currently functioning in a user (pay customer) environment and capable of meeting the requirements set forth in this solicitation.

2.17 Experience and Qualifications

Bidders must provide an organizational chart specific to the key personnel assigned to accomplish the work called for in this RFP; illustrate the lines of authority; designate the individual responsible and accountable for the completion of each component and deliverables of the RFP.

Bidders must provide a narrative description of the organization of the project team and a personnel roster that identifies each key person who will actually work on the project and provide the following information about each person listed;

- a) Title
- b) Resume

c) Location(s) where work will be performed.

2.18 Value Added Expertise

Bidders should identify specific expertise, activities or skills that will provide additional value to the project, based on their previous work in this area.

2.19 Implementation Timetable

Bidders must provide comprehensive narrative statements that set out the implementation plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet their proposed project schedule. The plan should identify the process and criteria for implementation and the estimated timetable.

2.20 Transition and Exit Services

Contractor shall fully cooperate with the AOC in ensuring that the processes and procedures for developing, testing, maintaining, supporting, and documenting current FARE program functionality meets current Court rules, policies, and standards as well as applicable statutes and will provide the best framework for the current FARE program functionality to continue to be supported, regardless of the party responsible for that support.

The established business procedures and automated system under this procurement shall remain operational during any transition period. In the event that a different vendor is awarded the subsequent contract, the Contractor shall provide continuing services as the AOC transitions to receive such services from the new vendor. Either party will provide the other with notice of the need for transition services not less than six (6) months prior to the end of the contract term. The Vendor shall treat transition services as a non-optional, "non-premium," base cost.

As part of the implementation and ongoing support of the automated system, Vendor shall create and maintain FARE services, as mutually agreed-to by Vendor and the AOC, to help facilitate a successful transition to another party at the end of the Contract period.

SECTION 3 STATEMENT OF WORK

3.0 INTRODUCTION

PURPOSE / INTENT

The Fines/Fees and Restitution Enforcement (FARE) Program is a statewide initiative of the Arizona Judicial branch that originated in July, 2003 with the goals of: compliance with and respect for court orders and the law, enhanced customer service, increased revenues, consistency and uniformity in case processing and efficiencies in the collection process. Through a system of defendant noticing, skip-tracing, credit bureau reporting, vehicle registration holds, and outbound calling, collection of overdue court fines and fees has successfully increased.

The Arizona Supreme Court's Administrative Office of the Courts (AOC) seeks a vendor to continue the overall mandate of FARE and propose any services currently not utilized to enhance collections and enforce monetary court orders. The vendor must provide compatible functionality to the current automation, business processes, effective enforcement tools, and procedures.

In an effort to promote clarity and to enable bidders to accurately estimate costs, this statement of work will describe several aspects of the Fine/Fees And Restitution Enforcement Program (FARE). The organization of this Statement of Work is as follows:

SPECIFICATION REQUIREMENTS

3.1 Case Processing - A description of how cases are processed in the Arizona Judicial system and monetary court order enforcement techniques.

3.2 FARE Overview - A description of the current monetary court order enforcement tools and FARE models, which bidders are expected to replicate.

3.3 FARE Architecture - A description of the automated case management systems, software environment and AOC Information Technology Division (ITD) infrastructure.

3.4 FARE Logistics – A description of transitional and critical items that will need to be addressed in preparation for potential change of vendor. Bidders will need to suggest efficient and effective implementation strategies.

3.5 Performance & Operational Deliverables - A set of performance measurements in several FARE service areas and an explanation of how Service Level Agreements (SLAs) will be determined.

3.6 Other FARE Requirements - A listing of other requirements affecting the operation and structure of FARE that must be adhered to.

3.7 Definitions – An alphabetical list of terms and definitions that appear in this text.

3.1 CASE PROCESSING

Article 6, Section 3 of the Arizona Constitution grants the Chief Justice of the Arizona Supreme Court administrative supervision over all courts in the state and the authority to make rules governing all procedural matters in any court. The Arizona Judicial Council (AJC), established in 1990, assists the Supreme Court in developing and implementing policies that will provide central direction for court management, consistency in court operations, and coordination of services within the courts. Under the direction of the Chief Justice, the Administrative Office of the Courts provides necessary support for the supervision and administration of all courts in the state.

Funding for the courts is provided by a variety of sources, including the state legislature, counties, cities or towns and various grant funding sources for special purposes. Arizona classifies courts into three types, including: appellate courts, general jurisdiction courts and limited jurisdiction courts.

The Arizona Judicial System has one court of general jurisdiction, with the Superior Court locations in each of Arizona's 15 counties and 163 limited jurisdiction courts – 83 municipal courts (also called city courts) and 80 justice of the peace courts. General jurisdiction courts process case types such as criminal felonies, juvenile, civil lawsuits, divorce, and child custody. The limited jurisdiction courts process a variety of case types including misdemeanors, local ordinances and decriminalized traffic cases, known as civil traffic violations. Both civil traffic and criminal violations may be written on the same citation form. Appellate courts do not participate in the FARE program. This RFP specifically addresses enforcement functionality for general and limited jurisdiction courts.

Cases are filed into the courts by local law enforcement. The Arizona Department of Public Safety (DPS) and the 15 county Sheriffs' Departments are the primary law enforcement agencies writing citations that are filed in justice courts. Local police agencies primarily write citations that are filed in municipal courts. The citation forms of all law enforcement agencies are similar, but not identical. Up to five violations may be cited on one form.

Law enforcement may also file a long form complaint in lieu of a traffic citation. Long form complaints are filed typically for some criminal traffic and criminal statute violations including misdemeanors, local ordinances and all felonies.

Arizona General and Limited Jurisdiction Case Filings and Terminations

Justice Of the Peace Court Case Filings & Termination Statistics for Fiscal Years 2008 - 2011								
Fiscal Year	2008		2009		2010		2011	
Case Type	Filed	Disposed	Filed	Disposed	Filed	Disposed	Filed	Disposed
Criminal Traffic - DUI	25,758	24,272	25,652	24,337	23,160	24,068	21,166	21,459
Criminal Traffic - Serious Traffic	4,123	4,073	4,377	4,252	3,930	3,879	3,409	3,378
Criminal Traffic - Other Traffic	109,768	113,710	106,055	108,310	90,913	95,651	76,914	84,195
Civil Traffic	401,105	419,909	421,691	452,510	438,378	464,780	374,460	400,932
Misd. Criminal	107,495	104,004	111,810	117,294	103,693	107,681	95,531	102,241
Felony	24,024	24,645	23,001	24,238	20,930	23,418	19,422	19,999
Civil-Small Claims	28,486	23,870	26,835	35,210	26,696	28,758	22,046	23,845
Civil-Forcible Detainer	105,681	107,655	96,226	97,004	82,046	82,069	81,835	80,606
Civil-Other Civil	101,524	79,815	125,503	115,830	127,434	127,472	132,303	129,532
Local Non-Criminal Ordinances	2,564	2,507	2,156	2,720	1,576	1,596	1,360	1,502
Court Total	910,528	904,460	943,306	981,705	918,756	959,372	828,446	867,689
Municipal Court Case Filings & Termination Statistics for Fiscal Years 2008 - 2011								
Fiscal Year	2008		2009		2010		2011	
Case Type	Filed	Disposed	Filed	Disposed	Filed	Disposed	Filed	Disposed
Criminal Traffic - DUI	60,145	59,772	58,629	58,914	58,465	61,902	56,312	59,932
Criminal Traffic - Serious Traffic	7,046	7,586	6,048	6,893	5,668	6,253	4,881	5,703
Criminal Traffic - Other Traffic	111,595	111,805	104,256	106,030	95,940	99,113	74,869	80,855
Civil Traffic	1,098,390	1,127,072	1,015,842	1,091,990	915,572	971,445	835,026	895,043
Misd. Criminal	243,032	275,777	244,990	305,770	240,481	299,540	215,392	319,687
Felony	NA							
Civil-Small Claims	NA							
Civil-Forcible Detainer	NA							
Civil-Other Civil	NA							
Local Non-Criminal Ordinances	138,022	133,327	128,183	129,164	120,400	129,113	119,759	117,403
Court Total	1,658,230	1,715,339	1,557,948	1,698,761	1,436,526	1,567,366	1,306,239	1,478,623
Superior Court Case Filings & Termination Statistics for Fiscal Years 2008 - 2011								
Fiscal Year	2008		2009		2010		2011	
Case Type	Filed	Disposed	Filed	Disposed	Filed	Disposed	Filed	Disposed
Civil	5,175	5,194	5,916	4,923	8,029	7,332	7,059	6,586
Criminal	6,259	6,369	5,713	5,732	4,941	5,505	4,897	5,337
Domestic Relations	4,894	4,133	4,288	4,129	4,826	4,838	4,230	4,462
Juvenile	3,085	2,849	3,056	2,806	2,665	3,032	2,591	2,448
Mental Health	235	187	228	170	228	101	293	194
Probate	1,526	841	1,542	1,201	1,654	1,325	1,640	868
Court Total	21,174	19,573	20,743	18,961	22,343	22,133	20,710	19,895

Note: Fiscal Year refers to the state fiscal year from July 1st – June 30th.

Various procedures are used to enforce compliance with fines and penalties arising from citations issued by law enforcement agencies. This includes both vehicular and non-vehicle-related minor offenses. Citations are manually entered by court staff or electronically delivered to the court case management system. Most law enforcement agencies issue a court generated “bond card” and return envelope handed to the offenders with the citation. Bond cards typically contain the following:

- An outline of the defendant’s options
- Defensive driving program information

- Fine amounts and instructions on how to pay

Persons receiving citations for civil traffic offenses have three options:

- Plead responsible and pay the associated fine.
- Plead not responsible and request a hearing.
- Complete an approved defensive driving program to have one eligible charge dismissed every two years.

If a defendant fails to respond to the court, the court can take enforcement action such as suspending the defendant's driving privileges until payment is made to satisfy the judgment, issuing a warrant and additional sanctions. Courts that are more aggressive with delinquent fine collection experience better-than-average collection rates. The success is directly related to the use of enforcement techniques including:

- Referrals to the Fines/Fees and Restitution Enforcement (FARE) Program
- Local collection agency contracts
- Lock-box arrangements
- The state tax/lottery intercept program (Debt Set-off)
- Credit card acceptance
- Installment agreements
- Wage garnishments
- Telephone contact with debtors
- Vehicle registration holds (TTEAP Program)
- Other sanctions defined by the court

3.2 FARE OVERVIEW

The Fines/Fees and Restitution Enforcement (FARE) Program is a successful statewide initiative of the Arizona Judicial branch. The success of the FARE Program is due to its unique automated processes, payment options, noticing and effective enforcement tools.

The success of the program has resulted in collections of approximately \$235 million dollars of the outstanding delinquent receivables totaling over \$1 billion dollars currently in the FARE Program. Seventy million dollars in payments have been submitted via the web and interactive voice response (IVR) line. Over 657,000 vehicle registration holds have been placed as a direct result of FARE. More than 343,000 vehicle registration holds have been released due to payment in full.

The program currently operates in two general models and focuses on facilitating and prompting payment throughout the different stages of a case. Cases in the pre-disposition and post disposition stages are non-delinquent. Approximately 123,000 cases have been submitted to the FARE Program in fiscal year 2012 for facilitating non-delinquent payment and noticing. The pre-disposition stage focuses on permitting voluntary payment of financial sanctions on newly filed cases prior to the initial court date. The post disposition stage focuses on enforcing monetary court orders on cases

where a disposition has been entered on one or more charges or pending charges that have passed the initial appearance. The delinquency stage, also referred to as backlog, focuses on enforcing delinquent monetary court orders.

At a minimum, the following specifications, which will be further described in Section 3.5, shall be provided by the vendor.

Deliverable	Deliverable Description
Data Transmission & Security	Proposed application shall integrate with the FARE architecture referenced in Section 3.3, page 26 to support the transmission of data and financial transactions real-time or in batch to and from the AOC.
	Transmit and process an exceptionally large volume of transactions to and from the AOC in real-time and batch.
	Transmit and process individual case data and payment transactions to and from the AOC to properly docket and memorialize all monetary court order enforcement activities performed by the vendor for each individual participating court's case management system and the Arizona Motor Vehicle Department (MVD).
	The vendor shall be responsible for the security of all data being transmitted from their system(s).
	Security procedures and controls to prevent unauthorized access to court data maintained by the vendor.
Noticing	Generate exceptionally large volumes of notices.
	Generate two-sided notices printed in English and Spanish.
	Notices shall be individually customized to include specific case information provided by each participating court.
	Generate notices within one business day of data entry or data exchange.
	Generate notices bearing the originating court's seal.
	Mail exceptionally large volumes of generated notices.
	Mail generated notices in batch weekly, at minimum.
	Monitor and retain the status of each notice and process multiple notice series in sequential order on a designated scheduled, as determined by the court in the pre, post, and delinquency stages of a case.

Skip-tracing	Obtain current addresses for invalid and/or old addresses in large volumes.
	Skip-trace returned and undeliverable notices in large volumes.
	Generate a new notice to the refreshed address returned by skip-tracing methods performed by the vendor.
	Provide an efficient electronic procedure to process returned and undeliverable mail.
	Electronically retain previous address history for skip-tracing processes.
	Electronically receive, process and send a bad address data transaction to and from the AOC.
	Electronically match FARE case party demographic records using the following data fields to skip-trace new addresses: Name (first, middle, last, suffix), social security number (SSN) (required if available), address, and date of birth (DOB), at minimum.
Traffic Ticket Enforcement Assistance Program (TTEAP) Vehicle Registration Holds	Electronically match multiple defendant case records submitted by one or more courts eligible for TTEAP registration holds based on demographics and eligible case balance due. Ability to program person matching criteria containing a DOB, SSN and/or a driver's license number (at minimum).
	The vendor shall electronically evaluate defendant case records eligible for submission to the Arizona Motor Vehicle Division (MVD) for potential matches with MVD customer records. Eligibility of case parties shall be based on statutory requirements of A.R.S. § 28-1631 - A.R.S. §28-1636. Vendor shall identify case parties eligible for TTEAP registration holds at the applicable stage of a case and conditions defined per statute.
	Provide automated functionality to integrate with the FARE architecture to transmit eligible TTEAP registration holds.
	Match MVD returned records to existing FARE vendor records.
	Provide automated functionality to integrate with the FARE architecture to release and/or waive registration holds real-time from the MVD as instructed by the court.
	Electronically determine defendants eligible for submission to MVD for potential matches with MVD customer records based on all outstanding obligations and non-appearance.
	No-match records shall be recycled back to the MVD at a later date as a subsequent attempt to place a TTEAP registration hold on records not matched in previous attempts.

	Communication between the vendor and MVD shall be transmitted via the AOC's data warehouse, MQ channels and FTP server for batch and real-time transactions.
Payment Gateway (Website) & Interactive Voice Response (IVR) Line	Website to provide real-time online payment options to facilitate payment of court debts submitted to the program.
	The website shall be provided in both English and Spanish.
	The website shall have the ability to make initial payments for charges on a citation in full and on a charge-by-charge basis as selected by the payor for payment.
	Website shall display all cases matched to one case party record.
	Credit card processing fees shall not be directed to the payor or Arizona courts.
	Payments made via IVR or web-based options shall have a receipt and payment confirmation generated for the payor. Automatically generated receipts for web payments shall be emailed containing a unique confirmation number when an email address is provided by the payor.
	Electronic email alert (report) indicating the case number, date of birth, debtor name (first, middle initial, last, suffix), charge count, amount paid, new balance due, date the payment was made, confirmation number, credit card type, and payment source (web or IVR) available per court.
	Website feedback capabilities shall be provided to payors to ask questions and/or provide service reaction.
	Interactive voice response line (IVR) to provide real-time payment options to facilitate the payment of court debts submitted to the program.
	The IVR shall be provided in both English and Spanish.
	The IVR shall provide TDD options and toll-free access.
Payments made on the website or IVR shall be sent as real-time transactions to the AOC for local court case management system payment postings.	
Merchant Processing	Provide the capability or subcontracted capability to process website and IVR payments real-time using credit and/or debit cards and electronic funds transfers.
	Deposit collected payments directly and accurately into the originating court's unique bank account (in excess of 170 accounts) daily (banking industry deposit schedules for weekends and holidays considered).
Credit Bureau Reporting	Report delinquent court debt to the credit bureau(s) in large volumes (batch) as instructed by the court.

	Electronically verify credit bureau(s) eligibility status within the FARE Program at the appropriate stage of the delinquency process as instructed by the court.
	Electronically provide the credit bureau(s) with accurate person demographic information as provided by the court.
	Electronically send updated delinquent amounts and zero balances to previously reported court debt to the credit bureau in large volumes (batch) and provide means to immediately remove and correct erroneous data submitted to the credit bureau(s).
Outbound Collection Calls	Place or subcontract manual collection phone calls directly to eligible debtors and/or via automatic/predictive dialing as instructed by the court.
	Electronically obtain current phone numbers of debtors via skip-tracing.
	Ensure phone numbers found via skip-tracing accurately match person demographics provided by the court.
	Utilize and follow collector scripts approved by the AOC.
	The vendor shall ensure outbound calling collection staff are trained as approved by the AOC.
	Ensure collection calls and activities are stopped within 24 hours of payment in full or cases recalled from the FARE Program.
Wage Garnishment	File wage garnishments within the local court jurisdiction as approved by the judge from the court the case was originally filed in.
Other Payment Options	Apply individual case balance updates/adds as reported by each individual court. Case balances shall be adjusted in real-time and in batch to reflect payments made by defendants at the court, Debt Set-Off (tax intercepts) and non-payment adjustments (fine suspensions/waivers).
Reporting and Data Access	Itemized and summarized reporting capturing all transmitted/processed case data and payment transactions as required to properly docket and memorialize activities performed by the vendor for each individual participating court's case management system and the Arizona Motor Vehicle Department (MVD).
	Reports identifying data and payment transaction discrepancies between the vendor and AOC for real-time and batch architecture environments.
	Reconciliation reports itemizing and summarizing each recorded payment made at the court, via the Debt Set-Off (tax intercepts) and made on the vendor website and IVR.

Test Environment	<p>Provide a testing environment that shall include:</p> <ul style="list-style-type: none"> ▪ Test database ▪ Test interface ▪ Test transactions ▪ Test communications ▪ Test web atmosphere ▪ Test cases ▪ Test IVR
Dispute Resolution Services	<p>Processes to:</p> <ul style="list-style-type: none"> ▪ Immediately stop all collection efforts on delinquent disputed cases ▪ Address credit bureau disputes ▪ Resolve all credit/debit charge disputes (chargebacks)
Other Services	Perform data entry of new citations and or support for electronic exchange of new case information.
	Accept large volumes of scanned images.
	Perform traditional collection methods (non-automated collection services for a minor number of courts with limited automated collection capabilities).
	Court access to the vendor case management and reporting system.
	Additional payment gateway capabilities for new case processing services.
	Lockbox services and processing for mail-in payments.
	Photo radar processing payment website capabilities.
	Electronic document system with abilities for imaging, electronic filing, document storage and archiving digital imaging.

The vendor shall operate the FARE program in two diverse automated models:

Model #1 Full FARE – Monetary court order enforcement processing in the Full FARE model shall include the pre-disposition, post-disposition and delinquency stages of a case. Case data and payment transactions between the local court, AOC, vendor, MVD and other entities shall occur in real-time and in batch. The vendor shall have the ability to receive, process, and send large volumes of data and payment transactions sent to and from the AOC.

Pre-disposition Stage

The pre-disposition stage consists of new cases filed at the court.

- The vendor shall have the ability to receive and process data transactions sent by the AOC to electronically identify: charges eligible for payment, the appropriate notice to send based on charge type and when charges are no longer available for payment as instructed by the court.
- The vendor shall provide the ability to pay civil traffic fines/fees on the vendor's website, interactive voice response (IVR) line or at the court prior to the initial appearance. The vendor shall send real-time website and IVR payment transactions to the AOC to generate a receipt transaction in the court case management system.
- The vendor shall have the ability to generate and mail a reminder notice to eligible defendants if a disposition has not been entered and the initial appearance date occurs in the future.

Post Disposition Stage

The post-disposition stage consists of cases where a disposition has been entered on one or more charges or pending charges that have passed the initial appearance.

- The vendor shall have the ability to receive and process data transactions sent by the AOC to electronically identify: case status transactions, cases eligible for payment, the appropriate notice to send based on case type and when cases are available for payment as instructed by the court.
- The vendor shall provide the ability to pay fines/fees on the vendor's website, interactive voice response (IVR) line or at the court (in-person or by mail) or through local court payment websites and IVR lines. The vendor shall send real-time website and IVR payment transactions to the AOC to generate a receipt transaction in the court case management system.
- The vendor shall have the ability to generate and mail notices in sequential order to eligible defendants as instructed by the court.
- The vendor shall have the ability to match case party records and electronically transmit TTEAP registration hold requests and releases to the MVD via AOC integration on eligible cases as instructed by the court. The vendor shall have the ability to match defendant records and ensure statutory eligibility requirements of A.R.S. § 28-1631 - A.R.S. §28-1636 are met and a minimum of two notices have been sent before the hold request is transmitted to the MVD. Communication between the vendor and MVD shall be transmitted via the AOC's data warehouse,

MQ channels and FTP server for batch and real-time transactions.

Delinquency Stage

The delinquency stage consists of cases where all charges have a disposition and deemed delinquent by the court.

- The vendor shall have the ability to receive and process data transactions sent by the AOC to electronically identify: cases eligible for delinquent enforcement actions, case status transactions, cases eligible for payment and when cases are available for payment as instructed by the court.
- The vendor shall provide the ability to pay fines/fees on the vendor's website, interactive voice response (IVR) line or at the court (in-person or by mail) or through local court payment websites and IVR lines. The vendor shall send real-time website and IVR payment transactions to the AOC to generate a receipt transaction in the court case management system.
- The vendor shall have the ability to generate and mail delinquency notices in sequential order to debtors as instructed by the court.
- The vendor shall have the ability to match case party records and electronically transmit TTEAP registration hold requests and releases to the MVD via AOC integration on eligible cases as instructed by the court. The vendor shall have the ability to match defendant records and ensure statutory eligibility requirements of A.R.S. § 28-1631 - A.R.S. §28-1636 are met and a minimum of two notices have been sent before the hold request is transmitted to the MVD. Communication between the vendor and MVD shall be transmitted via the AOC's data warehouse, MQ channels and FTP server for batch and real-time transactions.
- The vendor shall provide registration holds (TTEAP), credit bureau reporting, outbound calling, and wage garnishment as enforcement tools.
- Courts have the option to utilize the FARE vendor for delinquency collections or other private vendors. The FARE vendor shall provide debtors with the ability to make payments on cases submitted to a private vendor other than the FARE vendor via the FARE vendor payment website.

Model #2 Interim/Backlog FARE – Monetary court order enforcement processing in the Interim/Backlog FARE model is processed in the delinquency case stage only. Case data transactions between the local court, AOC, vendor and state entities shall occur in batch. The vendor shall have the ability to receive, process, and send large volumes of data and payment transactions sent to and from the AOC.

- The vendor shall have the ability to receive and process data transactions sent by the AOC to electronically identify: cases eligible for delinquent enforcement actions, case status transactions, cases eligible for payment and when cases are available for payment as instructed by the court.
- The vendor shall provide the ability to pay fines/fees on the vendor's website, interactive voice response (IVR) line or at the court (in-person or by mail) or local court payment websites and IVR lines.
- The vendor shall have the ability to generate and mail delinquency notices in

- sequential order to debtors as instructed by the court.
- The vendor shall have the ability to match case party records and electronically transmit TTEAP registration hold requests and releases to the MVD via AOC integration on eligible cases as instructed by the court. The vendor shall have the ability to match defendant records and ensure statutory eligibility requirements of *A.R.S. § 28-1631 - A.R.S. §28-1636* are met and a minimum of two notices have been sent before the hold request is transmitted to the MVD. Communication between the vendor and MVD shall be transmitted via the AOC's data warehouse, MQ channels and FTP server for batch and real-time transactions.
 - The vendor shall provide registration holds (TTEAP), credit bureau reporting, outbound calling, and wage garnishment as enforcement tools.

3.3 FARE ARCHITECTURE

All Arizona courts have automated case and cash management systems. The majority of the 163 limited jurisdiction courts use the same case management system, AZTEC, supported by the AOC. AZTEC is an AOC-modified version of a software package previously available on the commercial market under the product name of FACTS, originally developed by Progressive Solutions, Inc., which is no longer in business. The FACTS system is now available from Tiburon, Inc. AZTEC has been greatly modified from its original form to meet Arizona-specific case processing needs. Most AZTEC courts are scheduled to move in the coming years to the AJACS case management system also supported by AOC.

Additionally, multiple courts have local case management systems not supported by AOC. The FARE program is currently integrated with both statewide and local systems. The majority of the citations are processed in courts that have local case management systems. Courts that do not utilize AZTEC or AJACS have either developed or purchased different case or cash management systems and have little or no commonality with AZTEC, AJACS or with each other.

Those courts are:

Justice of the Peace Courts

- Maricopa County's Justice Courts are on one system.
- Pima Consolidated Justice Court
- Prescott Justice of the Peace Court (consolidated with the Prescott Municipal Court on the same system).

Municipal Courts all in Maricopa County

- Phoenix
- Mesa
- Tempe
- Chandler
- Paradise Valley
- Gilbert/Queen Creek

The chart below outlines court case management systems with current operating FARE functionality supported and not supported by the AOC.

Arizona Court Case Management System FARE Implemented Matrix

<u>CMS</u>	<u>AOC Supported</u>	<u>Customized</u>	<u># of Courts</u>	<u>Court Jurisdiction</u>	<u>FARE Model</u>
AZTEC	X		163	Limited	Interim
AJACS	X		13	General	Full FARE Backlog
iCIS - MCJC		X	25	Limited	Full FARE Backlog
Phoenix		X	1	Limited	Full FARE
Chandler		X	1	Limited	Full FARE Backlog
Scottsdale	X	X	1	Limited	Interim
Tucson	X	X	1	Limited	Interim

Description of Court Software Environment

The AZTEC case and cash management system is the lower jurisdiction system deployed as a fat client connecting to an Informix Dynamic Server database on an AIX or UNIX based server. With some exceptions, the courts using AZTEC have court-specific Informix databases on one of two RS/6000 servers located at the Administrative Office of the Courts. There are some databases on these servers that contain records for multiple courts. The database exceptions not on the above servers are: Tucson City Court, which maintains its own RS/6000 server but the AOC supports their database, and the Scottsdale Municipal Court, which maintains both its HP UNIX server and its Informix database. Selected data for most AZTEC courts is also maintained on a Data Warehouse at the AOC and updated nightly. There are approximately 1086 computers in courts with the AZTEC client application.

The AJACS case management system is the general jurisdiction system and is deployed as a thick client connecting to an application middleware having a Microsoft SQL Server 2005/2008 backend database. This system primarily runs Windows based servers and approximately 990 computers in the courts have the AJACS client application installed. The exceptions to this system for the general jurisdiction courts are Maricopa and Pima Superior courts. All AJACS computers are on the Windows Vista operating system, utilizing Microsoft Outlook 2007 for e-mail and Microsoft Word 2007 for word processing.

The AOC Communications Infrastructure

The Arizona Judicial Information Network (AJIN) consists of MPLS, Metro Ethernet, and Private line technologies to support our 163 court locations. All locations are connected with speeds of 1.5 mbps or higher. The communications protocol is primarily TCP/IP. All AJIN connected courts have e-mail capability and have access to AJIN's Intranet servers and the Internet.

Connections to external agencies are accomplished in a multitude of ways. The Arizona Department of Public Safety (DPS) has a 1.5 mbps T1 connection to the AOC utilizing an MQ Series Messaging server. Courts can access the Motor Vehicle Division (MVD) via the Arizona Department of Transportation (ADOT) mainframe over the State's Metropolitan Network (MAGNET). Currently the AOC uses File Transfer Protocol (FTP) server and MQ messenger secured by IPSEC to send information to MVD.

In order to reduce the complexities of data exchange between FARE and the originating courts, and in order to provide a monitoring mechanism for contract performance, FARE is structured with all electronic transactions occurring through the Arizona AOC data warehouse, which acts as a "transaction server." All transactions to and from the vendor will use IBM's MQ messaging service.

FARE Program Data Warehouse Transaction Volume

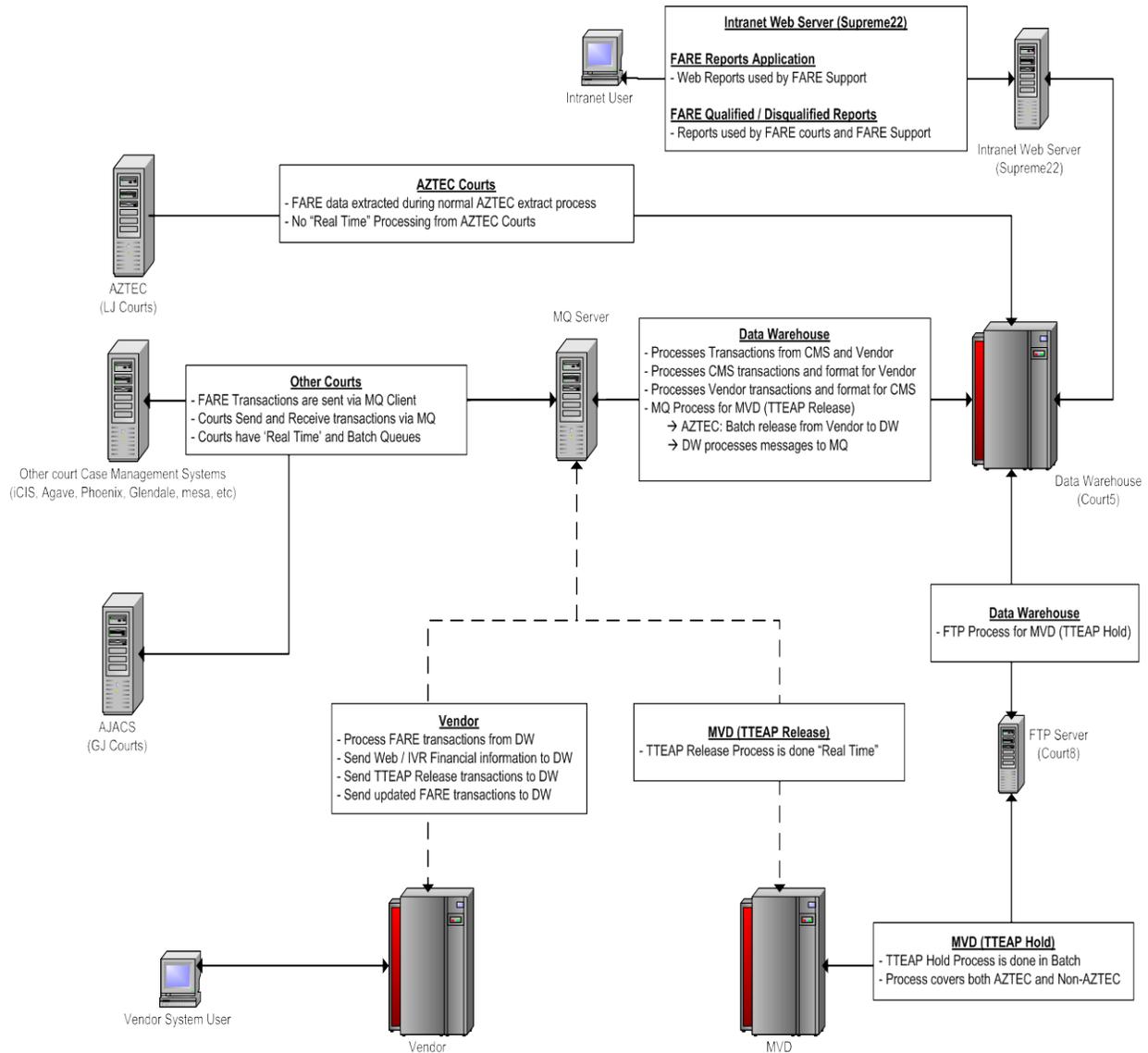
<u>Type of FARE Transactions</u>	<u>Actual Weekly Transactions</u>	<u>Est. Monthly Transactions</u>	<u>Est. Annual Transactions</u>
Real-time transactions from data warehouse to FARE vendor	37,650	150,600	1,957,800
Real-time transactions from FARE vendor to data warehouse	106,900	427,600	5,558,800
Batch transactions from data warehouse to FARE vendor	89,150	356,600	4,635,800
WEB/IVR transactions	5,122	20,488	266,344

FARE Program Case Load Volume

<u>FARE Case Loads</u>	<u>Count</u>
Full FARE Cases (Model #1)	1,701,218
Backlog Cases (Model #2)	2,220,244

It's important to note that the AOC technology department will soon be migrating the Informix based data warehouse to a Microsoft SQL platform, and conducting some re-architecture of its internal structure. However, this project is in the very beginning phases, will be a phased approach and is not anticipated to be complete in 2012.

The following graphic describes this high level architecture:



3.4 FARE LOGISTICS

A project of this scope requires phasing-in due to complexities associated with size and scale. This section is intended to provide sufficient material to enable bidders to develop processes and implementation schedules that will allow FARE to remain fully operational during any potential transition. The evaluation of proposals will consider three phases of project work. Bidders must provide comprehensive narrative statements that indicate the proposed management plans (transition plan, deliverable dates, project schedule, resources and methodology) they will employ in each of these phases to meet the AOC's project objectives:

Phase 1 – Transition Period - The vendor shall participate in transition meetings with the previous contractor if deemed necessary by the Court. The Court reserves the right to permit the previous contractor to complete necessary work or tasks currently in progress to aid in the transition process if applicable.

Phase 2 – The vendor shall address system development, testing and acceptance.

Phase 3 – The vendor shall address implementation and operation.

While there are several major aspects of this project that will require a phased-in approach, bidders are encouraged to suggest alternative transition processes and implementation strategies that would address the continuity of FARE.

3.5 PERFORMANCE & OPERATIONAL DELIVERABLES

As with any service or outsourcing agreement, there must be some means to measure and manage performance either by the establishment of contractual Service Level Agreements (SLAs), standards for performance of specified activities, or both. It is critical to maintain the performance of this successfully functioning program and to develop specific SLAs for various operational aspects. At a minimum, the performance and operational levels listed below will be incorporated in the contract (with corresponding penalties, if necessary) and, after a sufficient period of time has elapsed, the AOC may work with the FARE provider to refine the benchmark performance measurements and impose a revised SLA.

Transition and Exit Services

Contractor shall fully cooperate with the AOC in ensuring that the processes and procedures for developing, maintaining, supporting, and documenting application software used meets current Court rules, policies, and standards as well as applicable statutes and will provide the best framework for the application software to continue to be supported, regardless of the party responsible for that support.

The automated system created under this procurement shall remain operational during any transition period. In the event that a different vendor is awarded the subsequent contract or the Court takes this service in-house, the Contractor shall provide continuing services as the AOC transitions to receive such services from the new vendor or to an in-house supported service. Either party will provide the other with notice of the need for transition services not less than six (6) months prior to the end of the contract term. The Vendor shall treat transition services as a non-optional, "non-premium," base cost.

As part of the implementation and ongoing support of the automated system, Vendor shall create and maintain the set of final documents, as mutually agreed-to by Vendor and the AOC, to help facilitate a successful transition to another party at the end of the Contract period.

In addition to any other services bidders propose to provide, the following services shall be included. Bidders must describe their plan to provide these and any other proposed deliverables. Bidders shall complete the proposal price sheet (Appendix A) to outline deliverable requirement costs.

Deliverable	Additional Description	Deliverables
Data Transmission & Transfer Services	Data transactions flow between the AOC, vendor system, merchant processor, MVD and other entities regularly in batch and in real-time.	<ul style="list-style-type: none"> ▪ The vendor shall develop the architecture necessary to support the transmission of data and financial transactions in real-time or in batch. ▪ The vendor shall comply with all court standards, software standards, and codes as set forth by the Commission on Technology (COT). ▪ The vendor shall provide real-time interfaces to and from the vendor's system as required. ▪ The vendor shall process FTP (batch) files to and from the vendor's system as required. ▪ The vendor shall develop a Websphere MQ messaging interface for the vendor's system(s). ▪ The vendor shall be responsible for all hardware and software costs and database programming costs associated with batch and real-time processing of court data, data from MVD, and systems of other entities. ▪ The vendor shall be responsible for the security of all data being transmitted from their system(s).
System Security	<p>The vendor shall provide security procedures and controls to prevent unauthorized access to court data maintained by the vendor.</p> <p>The automation components involved in security include, but are not limited to: data and telecommunications networks, transaction servers, web server, IVR unit,</p>	<ul style="list-style-type: none"> ▪ The vendor shall present verifiable evidence of their system security features designed to maintain the security of all information contained in the vendor's database and maintain the confidentiality of court data. ▪ The vendor shall provide complete security for the protection of the physical location(s) including controlled entry to facilities and access to processing areas and extensive logging and audit controls.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
	and databases.	<ul style="list-style-type: none"> ▪ The vendor shall provide complete security for all hardware and software components that comprise their systems that store court data, including computer hardware, software applications, databases and telecommunications networks, against unauthorized access. ▪ The vendor shall provide AOC with a copy of the annual SAS70 audit, or similar audit, of their IT facility and systems. ▪ The vendor shall provide security policies and procedures to ensure effectiveness. ▪ The vendor shall be responsible for the development and maintenance of a set of security procedures and controls for the vendor's system(s) and other vendor owned or managed facilities that maintain court data and provide AOC with updates as they occur. ▪ The vendor shall provide appropriate physical security controls against unauthorized access to the vendor's automation components and all vendor owned or managed facilities that maintain court data. ▪ The vendor shall maintain an access log for physical access to the vendors' system(s) and all vendor owned or managed facilities that maintain court data. ▪ The vendor shall protect LAN servers and infrastructure devices that are part of the vendor's system(s) and other vendor owned or managed facilities that maintain court and citizen data from unauthorized access. ▪ The vendor shall maintain secure storage for all stored media. ▪ The vendor shall control the network operating system security/administrative logon IDs to the vendor's system(s) and all vendor owned or managed facilities that maintain court data for vendor staff and project personnel. ▪ The vendor shall provide security controls for software and data, assigning a unique ID and password and restrict access based on proper authorization. ▪ The vendor shall provide and maintain virus avoidance, detection, and elimination software for all servers, hardware and software. ▪ The vendor shall establish, change, deactivate and remove logon IDs and associated access authorities that are used by project personnel, vendor staff and court personnel to access the LAN on a daily basis. ▪ The vendor shall control the dial-up access to the vendor's system(s) against unauthorized access. ▪ The vendor shall respond to virus attacks and initiate corrective action to eliminate detected viruses. ▪ The vendor's system shall provide functional security by restricting vendor personnel or court employees from certain function, i.e. as permitting access to inquiry only and allow

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<p>data update capability on an as-needed basis.</p> <ul style="list-style-type: none"> ▪ The vendor shall provide audit trails, audit reports, and full accountability, such as transaction histories with date, time and identification for all transactions that flow through the vendor's system(s). ▪ The vendor shall install/maintain system security hardware and software such as, but not limited to: firewalls, filtering routing tables, public key infrastructure and data encryption.
Triggers	<p>Triggers are indicators sent via electronic transactions to the vendor that determine certain actions taken by the vendor.</p>	<p><u>New case adds</u></p> <ul style="list-style-type: none"> ▪ Ability to electronically determine if a case should appear on the payment website and the notice type based on a mandatory appearance electronic transaction flag Y/N. ▪ Ability to electronically determine if the case requires a civil, criminal or combined civil traffic/criminal charges (blend) notice. ▪ Ability to receive and electronically determine if all charges on a case are civil traffic and subsequently generate a pre-disposition civil traffic reminder notice. ▪ Ability to electronically determine if the pre-disposition initial appearance date is greater than 5 days and subsequently generate a pre-disposition reminder notice. <p><u>Changed Disposition on a Case</u></p> <ul style="list-style-type: none"> ▪ Ability to electronically determine different notice types when an electronic transaction is transmitted. <p><u>TTEAP</u></p> <ul style="list-style-type: none"> ▪ Ability to electronically mark cases as TTEAP eligible when a Y/N transaction flag is received.
Transaction Status Flags	<p>Transaction status flags allow court ordered actions to be updated in a real-time environment.</p> <p>*All status flags use "Yes" (Y) and "No" (N) electronic transaction values.</p>	<p><u>Suspend Flag*</u></p> <ul style="list-style-type: none"> ▪ Electronic ability to suspend and resume collection and noticing activity, based on an electronic transaction sent by the AOC. <p><u>Suspend until date</u></p> <ul style="list-style-type: none"> ▪ Electronic ability to suspend collection and noticing activity until a specific date, based on

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<p>an electronic transaction sent by the AOC.</p> <p><u>Special collections flag*</u></p> <ul style="list-style-type: none"> ▪ Electronic ability to receive and process a trigger to start or stop delinquent enforcement actions for a case. <p><u>Web/IVR removal flag*</u></p> <ul style="list-style-type: none"> ▪ Ability to electronically allow or disallow a Web/IVR payment method by case. <p><u>TTEAP flag*</u></p> <ul style="list-style-type: none"> ▪ Ability to electronically determine TTEAP eligibility and temporarily waive TTEAP registration holds real time. <p><u>Recall flag*</u></p> <ul style="list-style-type: none"> ▪ Electronic ability to receive and process a trigger to remove/recall a case from the FARE Program. <p><u>Contract indicator*</u></p> <ul style="list-style-type: none"> ▪ Ability to suspend all noticing, collections activity, and remove a TTEAP registration hold if a defendant is placed on a payment contract approved by the court.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
<p>Transaction Type</p> <p><i>Real-time</i></p>	<p>Real-time Transactions</p> <p>Vendor must have the capability to change each status real-time.</p> <p>System responses shall be within strict time constraints.</p>	<p><u>Real-time transactions</u></p> <p>Full FARE Delinquency (Model #1)</p> <p>Ability to process the following real-time:</p> <ul style="list-style-type: none"> ▪ Obligations/payments ▪ Recalled case ▪ TTEAP waivers ▪ TTEAP releases ▪ Balance adjustments (monetary/non-monetary) ▪ WEB/IVR removal ▪ WEB/IVR payments <p>Interim/Backlog (Model #2)</p> <ul style="list-style-type: none"> ▪ TTEAP releases (when payment occurs on the vendor website or IVR)
<p>Transaction Type</p> <p><i>Batch</i></p>	<p>Batch Transactions</p> <p>Processes a large volume of transactions simultaneously.</p> <p>Occurs nightly in current environment resulting approximately in one day time delay.</p>	<p><u>Batch transactions</u></p> <p>Ability to process the following in batch within one calendar day:</p> <p>Full FARE Delinquency (Model #1)</p> <ul style="list-style-type: none"> ▪ New case adds ▪ Re-added cases ▪ Disposition update ▪ Collection vendor updates ▪ Adding a charge to existing FARE case ▪ Sealing a case ▪ Name/demographic updates ▪ Party Address updates ▪ TTEAP rejects (near matches, no matches or deceased) ▪ TTEAP holds <p><u>Interim/Backlog (Model #2)</u></p> <ul style="list-style-type: none"> ▪ All payments ▪ New case adds ▪ Re-added cases ▪ Collection vendor updates – Notices ▪ Name/demographic updates ▪ TTEAP holds

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
<p>WEB/IVR & Merchant Processing</p>	<p>Payment Gateway (Website) Vendor must program and maintain a payment website that accepts real-time online payments.</p> <p>Interactive Voice Response (IVR) Vendor must provide IVR technology which allows customers to interact with host systems via telephone keypad or speech recognition.</p> <p>Merchant Processing Vendor must have capability to contract or subcontract merchant account services to process website and IVR payments real-time.</p>	<p><u>WEB/IVR</u></p> <ul style="list-style-type: none"> ▪ Ability to provide payment processing that shall be accessible via a Web-based portal or interactive voice response (IVR) line using credit and/or debit card transactions and electronic fund transfers. ▪ IVR shall include English, Spanish and TDD options with toll-free access. ▪ The payor shall have the ability to make initial payments for charges on a citation in full and on a charge-by-charge basis as selected by the payor for payment. ▪ Credit card processing fees shall not be directed to the payor. ▪ Electronic email alert (report) indicating the case number, date of birth, debtor name (first, middle initial, last, suffix), charge count, amount paid, new balance due, date the payment was made, confirmation number, credit card type, and payment source (web or IVR) available per court. ▪ Payments made via IVR or web-based options shall have a receipt and payment confirmation generated for the payor. ▪ Website feedback capabilities shall be provided to payors to ask questions and/or provide service reaction. ▪ Payments made on the website or IVR shall be sent as real-time transactions to the AOC for local court case management system payment postings. ▪ Automatically generated receipts for web payments shall be emailed containing a unique confirmation number. ▪ The vendor shall be responsible for measuring and reporting the availability level, use rates, and call drop rates to the AOC on a monthly basis for the IVR system and website. <p><u>Merchant processing</u></p> <ul style="list-style-type: none"> ▪ Payment processing shall adhere to Minimum Accounting Standards followed by Arizona State Courts (ACJA Code §1-401 Minimum Accounting Standards). ▪ Bulk credit card usage fees shall be included in the FARE cost bid, not subtracted from the base fine or penalty amounts of the customer and not incurred by individual participating courts. ▪ Vendor shall have the capability or subcontracted capability to electronically deposit funds into the originating court's unique bank account (in excess of 170 accounts) daily (banking industry deposit schedules for weekends and holidays considered). ▪ Vendor and subcontractor shall comply with Federal polices, rules and regulations regarding: <ul style="list-style-type: none"> ○ Chargebacks

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<ul style="list-style-type: none"> ○ Credit bureau reporting ○ Duplicate processing ○ Payment reversals ○ Not Sufficient Funds ○ Other related financial services ○ Payor information storage <ul style="list-style-type: none"> ▪ Temporary or permanent storage of payor information may be required. ▪ The vendor shall handle chargeback dispute resolution.
<p>Reporting and Data Access</p>	<p>In order to ensure data and payment transactions remain consistent with all parties (court, AOC data warehouse, FARE vendor, MVD), AOC runs multiple reports (daily, weekly, monthly and annually), to identify different types of performance measures, discrepancies and reconciliation. With these reports all discrepancies are researched by AOC and resolved with all necessary parties.</p>	<p>Reconciliation Reporting</p> <ul style="list-style-type: none"> ▪ Ability to provide an electronically automated reporting process to reconcile a large volume of court payments and balances between the vendor and the AOC. The structure of this report shall be itemized and summarized. <p>FARE Compare Report</p> <ul style="list-style-type: none"> ▪ Ability to process a large volume of data corrections for all FARE models, as needed by the AOC. This report is generated by the AOC weekly (at a minimum) and utilized as a tool to identify and correct data discrepancies between the vendor and the AOC data warehouse. Corrections identified on this report shall be made by the vendor as directed by the AOC. <p>FARE Daily Report</p> <ul style="list-style-type: none"> ▪ Ability to process a large volume of data corrections for Full FARE courts (Model #1). This report is utilized as a tool to identify and correct data discrepancies between the AOC and the vendor for Full FARE courts operating in a real-time transaction environment. Data corrections are submitted by the AOC to the FARE vendor and shall be corrected in the vendor's system daily as directed by the AOC. <p>TTEAP Reporting</p> <ul style="list-style-type: none"> ▪ Ability to provide the AOC with a monthly summary report of TTEAP activity including the number of TTEAP mach and no-match transactions for each date of transmission, the number of TTEAP release transactions sent to MVD, and the number of rejected TTEAP release transactions. The vendor shall provide detailed reports of the complete TTEAP transaction history upon request.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<p>Merchant Account Transaction Report</p> <p>Merchant processing reports are required to verify bank deposit amounts associated to payments made on the vendor website and IVR line.</p> <ul style="list-style-type: none"> ▪ The AOC shall have administrative access to view all deposits made for each individual court for reconciliation and payment deposit validation purposes. The vendor shall provide detailed and summarized administrative level reports to the AOC for all FARE participating courts. ▪ Individual courts shall have user level access to view merchant processing reports for reconciliation and payment deposit validation within their local bank account. ▪ The vendor shall provide summarized and itemized merchant processing activity reports for participating courts. ▪ The vendor shall provide reports identifying chargebacks and payment adjustments at a summary and detailed level. <p>Additional FARE Reports</p> <p>At minimum, the vendor shall provide the following summary and itemized reports per court:</p> <ul style="list-style-type: none"> ▪ Collection statistics ▪ Notice counts sent by notice type ▪ Skip-tracing activities and success rates ▪ Web payments ▪ IVR payments ▪ Interim/Backlog (all real-time/batch vendor activity captured) ▪ Full FARE (all real-time/batch vendor activity captured) ▪ Payment rates at each case stage (pre-disposition, post disposition and delinquency) ▪ Credit Bureau activity ▪ Demographic information (reported/missing) ▪ Subcontracted vendor reports (all activities performed) ▪ Social Security Number validation ▪ Date of Birth validation ▪ Special project reports ▪ Ad-hoc reports (when necessary)
<p>Noticing</p>	<p>The vendor shall generate, mail and monitor a series of notices.</p>	<p><u>General</u></p> <ul style="list-style-type: none"> ▪ Generate exceptionally large volumes of notices. ▪ Generate notices in English and Spanish. ▪ Generate notices individually customized to include specific case information provided by each participating court.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<ul style="list-style-type: none"> ▪ Generate initial notices within one business day of data entry or data exchange, weekly at minimum. ▪ Generate notices bearing the originating court's seal. ▪ Mail exceptionally large volumes of generated notices. ▪ Provide an efficient process for undelivered or returned mail. ▪ Monitor the status of each notice. ▪ Process multiple notice series. <p><u>Pre Disposition Case Stage Noticing</u></p> <ul style="list-style-type: none"> ▪ Ability to generate notice types with varying language, based on the charges on each individual case. ▪ Cases submitted to the program can include civil traffic, criminal, photo radar, and a combination (blend) of civil traffic and criminal charges. The vendor shall generate notice types for: <ul style="list-style-type: none"> ▪ Civil Traffic ▪ Criminal ▪ Photo Enforcement ▪ Combination (blend) of civil traffic and criminal <p><u>Post Disposition Case Stage Noticing</u></p> <ul style="list-style-type: none"> ▪ Ability to generate notice types with varying language, based on the charges on each individual case. ▪ Cases submitted to the program can include civil traffic, criminal, photo radar, and a combination (blend) of civil traffic and criminal charges. The vendor shall generate notice types for: <ul style="list-style-type: none"> ▪ Civil traffic defaults ▪ Final notice of civil traffic defaults ▪ Criminal notice of arrest warrant ▪ Notice of failure to pay ▪ Notice of arrest warrant (Charge Combination/Blend) ▪ Final notice of default (Charge Combination/Blend) ▪ Notice of failure to pay (Charge Combination/Blend) ▪ Final notice of failure to pay (Charge Combination/Blend) ▪ Notice of delinquent account ▪ Second notice of delinquent account <p><u>Delinquency Case Stage Noticing</u></p> <ul style="list-style-type: none"> ▪ Courtesy notice with individual court

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		logo/letterhead <ul style="list-style-type: none"> ▪ Escalated warning notice ▪ Credit bureau warning notice ▪ Credit bureau filed notice ▪ Escalated payment notice ▪ Outbound calling referral notice
Skip-Tracing	<p>In order to ensure that the maximum number of FARE notices reach defendants, the FARE vendor must perform skip-tracing for addresses.</p>	<ul style="list-style-type: none"> ▪ Ability to skip-trace returned and undeliverable notices in large volumes. ▪ Ability to generate a new notice to the refreshed address returned by skip-tracing methods performed by the vendor. ▪ Ability to provide an efficient electronic procedure to process returned and undeliverable mail. ▪ Ability to retain previous address history for skip-tracing processes. ▪ Ability to receive, process and send a bad address data transaction to and from the AOC. ▪ Ability to electronically match FARE case party demographic records using the following data fields to skip- trace new addresses: Name (first, middle, last, suffix), social security number (SSN) (required if available), address, and date of birth (DOB).
Traffic Ticket Enforcement Assistance Program (TTEAP) Processing	<p>Enforces monetary court orders by placing a hold on vehicle registration renewals as permitted by the Arizona Revised Statutes.</p> <p>Using case, defendant, charge, disposition, sentence and TTEAP waiver data transmitted by the courts and entered into the vendor's system, the vendor shall transmit all transactions to and from MVD and to the AOC for Arizona courts to successfully participate with MVD in TTEAP. All transactions to the court from the vendor shall electronically advise them of the status of each case in TTEAP.</p>	<ul style="list-style-type: none"> ▪ Ability to directly submit batch TTEAP add transactions via FTP thru AOC to MVD. ▪ Match case party records and transmit eligible TTEAP registration hold and release requests. ▪ Ability to process batch TTEAP add transactions at least every seven days and more often if determined necessary by the AOC. ▪ Ability to electronically determine defendants eligible for submission to MVD for potential matches with MVD customer records based on all outstanding obligations and non-appearance. ▪ Ability to electronically determine when a defendant has multiple cases within one court or for multiple courts and match defendant cases based on person demographics. ▪ Ability to program person matching criteria containing a DOB, SSN and/or a driver's license number (at minimum). ▪ Ability to program automated functionality that meets statutory eligibility requirements of A.R.S. § 28-1631 through A.R.S. §28-1636 to identify case parties eligible for TTEAP registration holds at the applicable stage of a case. ▪ Ability to process FTP files returned from MVD thru the AOC with no-match conditions in order to maintain an accurate record of the

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
		<p>cases/defendants/ charges that are combined to create the conditions for a TTEAP match and transmitting batch FTP transactions to the court to notify them of a TTEAP add.</p> <ul style="list-style-type: none"> ▪ Ability to recycle TTEAP add transactions that resulted in no-match conditions back to MVD thru the AOC one or more times in an attempt to make a subsequent match. ▪ Ability to electronically monitor the number of notices sent per case. ▪ Ability to combine TTEAP eligible case balances and electronically determine the total amount owed on the case(s) is greater than \$10. ▪ Ability to send real-time transactions to MVD thru the AOC to release TTEAP registration holds when payment has been made for all financial obligations and/or appearance has occurred on failure to appear criminal charges involved in qualifying the defendant for TTEAP. ▪ Ability to match MVD returned records to existing FARE vendor records. ▪ Ability to receive and accurately process real-time TTEAP waiver transactions from courts. The vendor shall process waiver transactions from all courts thru the AOC having data that qualified a defendant for a TTEAP hold before it is released. ▪ Ability to send TTEAP release transactions to the appropriate courts thru the AOC.
<p>Person Matching</p>	<p>The purpose of person matching is to track defendants on all cases submitted to FARE by all participating courts.</p>	<ul style="list-style-type: none"> ▪ The vendor shall have the ability to “match” persons within one court and across courts based on demographic information provided by the court. ▪ All cases for one person shall be displayed on the Web for payment purposes. ▪ All case balances for one person shall be considered when placing a TTEAP hold. ▪ The vendor shall assign all “matched” persons the same “Person Number/Party Number”.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
Credit Bureau Reporting	Report delinquent court debt to the credit bureau in large volumes as instructed by the court.	<ul style="list-style-type: none"> ▪ Ability to electronically verify credit bureau eligibility status within the FARE Program at the appropriate stage of the delinquency process as instructed by the court. ▪ Ability to report delinquent court debt to the credit bureau in large volumes (batch). ▪ Ability to provide the credit bureau with accurate person demographic information as provided by the court. ▪ Ability to send updated delinquent amounts and zero balances to previously report court debt to the credit bureau in large volumes (batch). ▪ Ability to immediately remove and correct erroneous data submitted to the credit bureau.
Outbound Calling	Collection phone calls made directly to eligible debtors and/or via automatic/predictive dialing.	<ul style="list-style-type: none"> ▪ Ability to place or subcontract manual or automated/predictive dialer calls to eligible court debtors. ▪ Ability to implement and follow collector scripts approved by the AOC. ▪ Ability to electronically obtain current phone numbers via skip-tracing. ▪ Ability to ensure phone numbers found via skip-tracing accurately match person demographics provided by the court. ▪ Ability to stop collection calls and activities within 24 hours upon payment in full or cases recalled from the FARE Program.
Wage Garnishment	Wage garnishments are filed to enforce collection efforts as approved by the applicable judge at the local court.	<ul style="list-style-type: none"> ▪ The vendor shall file wage garnishments only when approved by a judge from the court the case was originally filed in. ▪ The vendor shall file wage garnishments at the applicable local court.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
System Reliability/ Testing Environment		<ul style="list-style-type: none"> ▪ The vendor shall have a terminal response time of three seconds or less for 95% on all transactions. ▪ The vendor system availability rate shall be maintained at 99%; this does not include the downtime necessary for scheduled maintenance, upgrades and disaster recovery. ▪ Errors shall be corrected within two business days. ▪ Recovery from disaster / catastrophic event, including data reentry, shall occur within three business days. ▪ The vendor shall propose objective methods of measurement to enable the AOC to monitor the availability level. ▪ The vendor shall be responsible to measure and report the availability level to the AOC on a monthly basis. ▪ The vendor shall provide a testing environment that includes: <ul style="list-style-type: none"> ○ Test database ○ Test interface ○ Test transactions ○ Test communications ○ Test web atmosphere ○ Test cases ○ Test IVR ○ Additional items (if applicable)
Training & Implementation Services	The vendor shall provide training and implementation services to ensure the AOC and Arizona courts are educated on FARE Program processes.	<ul style="list-style-type: none"> ▪ The vendor shall provide all necessary training to assist specified AOC and court personnel in the understating and use of the provided services and the vendor's subsystems. ▪ The vendor shall make the necessary technical and business procedure changes to implement new case management system functionality. ▪ The vendor shall make the necessary technical and business procedure changes that are a result of additional/new legislative, code, rule, and/or administrative order changes.
Dispute Resolution Services	Disputed monetary court orders arise during all stages of FARE case processing.	<ul style="list-style-type: none"> ▪ The vendor shall immediately stop all collection efforts on delinquent disputed cases. ▪ The vendor shall process credit bureau disputes. ▪ The vendor shall resolve all credit/debit card charge disputes (chargebacks). ▪ The vendor shall maintain a record of completed disputes in accordance to record retention schedules followed by Arizona courts.

<u>Deliverable</u>	<u>Additional Description</u>	<u>Deliverables</u>
Other Services		<p>The AOC is interested in working with the vendor to develop these additional services.</p> <p>Bidders should identify which of these they can provide.</p> <ul style="list-style-type: none"> ▪ Ability to provide Arizona Ticket, Traffic and Complaint (ATTC) data entry services and support for electronic exchange of new case information. ▪ Ability to provide additional payment options and/or methods. ▪ Acceptance of large volumes of scanned images. ▪ Ability to perform traditional collection methods; Non-automated collections services for a minor number of courts with limited automated collection capabilities. Website payment shall be available. ▪ Photo Radar Enforcement – Vendor shall work with the AOC on an agreed upon website payment process for pre-disposition payments. ▪ Provide lockbox services and processing for mail-in payments. ▪ Provide an electronic document system with abilities for imaging, electronic filing, document storage and archiving digital imaging. ▪ Provide handheld data collection/citations issuance hardware and software for local law enforcement. ▪ Provide payment plan services as a method for the vendor and/or Arizona courts to monitor court ordered payment plans. ▪ The vendor shall provide court access to the vendor case management and reporting system(s). ▪ Ability to notice and/or transmit data to the Arizona Department of Revenue via the AOC architecture for Debt Set-Off tax intercept processing. ▪ Provide additional payment gateway capabilities for new case processing services. ▪ Process correspondence of collection items: <ul style="list-style-type: none"> ○ Validation of debit ○ Bankruptcy notifications ○ Legal notification ○ Credit bureau disputes ○ Referral retractions

Bidders are encouraged to propose other enhanced services not listed above.

In addition to establishing SLAs, the FARE vendor will be subject to annual performance reviews by AOC in which the performance of the previous year may be reviewed for purpose of updating the SLAs and determination of corrective action for failure to comply.

3.6 OTHER FARE REQUIREMENTS

Other work specifications pertaining to FARE operations are provided here:

3.6.1 PRIVACY POLICIES AND STATEMENTS – CONFIDENTIALITY OF INFORMATION – The FARE provider shall not disclose, publish or disseminate court case or any other information made available by the courts to anyone other than the AOC, the courts, the provider's employees, subcontractors and other agencies as required to deliver the services described herein. The FARE provider shall develop privacy policies and privacy statements affecting FARE operations and website applications that protect personal privacy to the fullest extent possible and assure that no information contained in its records or obtained from the courts or from others in carrying out its functions under this project shall be used or disclosed by it, its agents, officers, employees or subcontractors, except as is necessary in the performance of their duties. The FARE provider shall hold any information provided by AOC or the courts on defendants in the strictest of confidence and use such information solely for skip tracing and/or collecting the accounts placed by the court. Persons requesting court information shall be referred to the court. Any unauthorized disclosure or use of confidential information shall constitute grounds for cancellation of the contract.

3.6.2 ACCOUNTING / COLLECTION STANDARDS – The FARE provider is expected to adhere to established accounting standards in the handling of financial transactions involved in its operation. Specifically, the successful bidder will clearly demonstrate that it is familiar with and is capable of complying with guidelines such as those contained in the "Yellow Book" of Government Auditing Standards (see <http://www.gao.gov/yellowbook>), and all data exchanges and accounting transactions shall provide sufficient information to allow the courts to remain in compliance with the Minimum Accounting Standards (MAS) for Arizona Courts as set forth in Arizona Code of Judicial Administration §1-401. The MAS may be viewed at:

<http://www.supreme.state.az.us/courtserv/CRTASSIST/cra.htm>.

The FARE provider is also expected to comply with the Fair Debt Collection Practices Act, which may be viewed at:

<http://www.ftc.gov/bcp/edu/pubs/consumer/credit/cre27.pdf>.

3.6.3. PERFORMANCE BOND – In recognition of the magnitude of this project and the potential risk associated with failure, the successful FARE provider will be required to post a performance bond in the amount of \$500,000 to cover

losses to the Arizona Courts resulting from material breach or other major deficiency in contract performance.

3.6.4 RISK ANALYSIS – As a part of their response, bidders will be required to provide a risk analysis based upon their understanding of the project. After award of contract, this risk analysis will be refined and used by the AOC and FARE vendor to take corrective measures that will improve the odds of successful implementation and operation of the FARE.

3.6.5 SPECIAL PROJECTS – The Arizona courts may decide to conduct additional projects for delinquent cases in an effort to clear back inventory, accelerate revenue collection and publicize the FARE project achievements.

3.7 DEFINITIONS

This glossary is provided as a reference to better understand the various technical terms and abbreviations contained in this RFP.

Term	Definition
Arizona Judicial Automated Case System(AJACS)	The automated court case management system used by 13 of the 15 counties for Superior Court (General Jurisdiction) case processing.
Arizona Motor Vehicle Division (MVD)	The Arizona Motor Vehicle Division
Arizona Traffic, Ticket and Complaint (ATTC)	The multi-agency traffic citation form filed by law enforcement into Arizona limited jurisdiction courts.
AZTEC	The automated court case management system used by most Arizona limited jurisdiction courts for case processing.
Batch	Batch processing involves processing several transactions at the same time
Blend (Notices)	Terminology to describe notices associated to citations/complaints containing both criminal and civil traffic charges.
Bond Card	A document and/or return envelop handed to offenders by most law enforcement agencies at the time a citation is issued. Bond cards provide information about the offender's options to pay a fine, plead responsible or complete an approved defensive driving program. Bond cards typically list fine amounts, how to pay and defensive driving program information.
Debt Set Off (DSO)	The Debt Set-Off Program is a court order enforcement program authorizing participating Arizona courts and entities to intercept Arizona state income tax refunds or Arizona Lottery winnings per A.R.S. § 42-1122 and A.R.S. § 5-525.
Default Judgment	The action taken by a court upon the defendant's failure to appear on a civil traffic violation. The judgment is declared entered and sentence imposed.
Delinquency Case Stage	The case stage focusing on enforcing monetary court orders deemed delinquent by the court.
Electronic Document Management System (EDMS)	Electronic document system with abilities for imaging, electronic filing, document storage and document archiving.
Failure to Appear (FTA)	Defendant failed to appear or comply with court date
Failure to Pay (FTP)	States the defendant failed to pay or comply with court date

Term	Definition
Full FARE	Case data transactions between the court, AOC, vendor and state entities occur real-time. Cases can be processed in the pre-disposition, post-disposition and delinquency stages.
Integrated Court Information System (iCIS)	The automated court case management system used and maintained by the Maricopa County Judicial branch (not maintained by the AOC).
MCJC	Maricopa County Justice Courts
Minimum Accounting Standard (MAS)	The required Arizona court financial management business rules established per ACJA Code 1-401.
Obligation	The amount the offender or designated payor is ordered to pay.
Payment	Any amount of money received by the court for an obligation via website, IVR, mail or in-person.
Post-disposition Case Stage	The case stage focusing on cases where a disposition has been entered on one or more charges or pending charges that have passed the initial appearance.
Pre-disposition	Prior to a disposition being entered on a case
Service Level Agreement (SLA)	Service Level Agreement(s) – established benchmarks of performance for various contract deliverables.

SECTION 4 PROPOSAL EVALUATION CRITERIA

Proposals will be evaluated in two phases:

1. An initial review to determine the responsiveness of the proposal to the requirements for the Request for Proposals (RFP). For a proposal to be considered responsive, it must meet the following tests:
 - A. A sealed original, one digital copy and five copies must be physically in the possession of the Arizona Supreme Court, 1501 W. Washington, Suite 105, no later than 4:00PM, Arizona Time, **May 22, 2012**.
 - B. The proposal must include all required items on the Proposal Submittal Checklist (Section 5).
 - C. The original and all copies of the proposal must be in ink or typewritten.
2. An in-depth analysis and evaluation will be based upon the following criteria. The evaluation criteria are listed in order of relative importance.

Evaluation Criteria	Relative Importance
A. Ability to Meet Specification Requirements and Deliverables	20%
B. Integration with AOC Operational Environment	20%
C. Overall Cost to AOC	20%
D Time To Complete Development, Testing, Acceptance, Implementation and Operation	10%
E. Risk Analysis	10%
F. Transition and Implementation Strategies	10%
G. Reputation/Credibility and Demonstrated Knowledge/Experience of the Vendor	10%

SECTION 5 PROPOSAL SUBMITTAL DOCUMENTS

The following materials must be submitted as part of a vendor response:

1. Proposal Submittal Letter (see page 48)
2. Five references (see page 49)
3. Vendor Profile (see page 50)
4. Proposal pricing sheets (Appendix A, see page 67)
5. A description of exceptions (if any) to the sample contract terms provided in Section 6 of the RFP. Any exceptions to the sample contract terms must be noted in the vendor response.
6. Independently audited financial statements from the last three years (Section 2.14. see page 10).
7. Organization Chart and Personnel Roster (Section 2.17. see page 10)
8. Implementation Plan/Timetable (Section 2.19, see page 11)
9. Risk Analysis (Section 3.6.4, see page 43)
10. Additional Data (any additional descriptive/narrative data the vendor wants to submit, particularly addressing the specifications).

PROPOSAL SUBMITTAL LETTER
(Use as page 1 of proposal)

Ms. Melba Davidson
Arizona Supreme Court
Administrative Office of the Courts
1501 W. Washington, Suite 105
Phoenix, Arizona 85007-3231

Dear Ms. Davidson:

In response to your Request for Proposals (RFP) number 12-02 the following response is submitted

In submitting this proposal, I hereby certify that:

1. the RFP has been read and understood;
2. my company will comply with the requirements set forth in the RFP;
3. the materials requested by the RFP are enclosed;
4. all information provided is true, accurate, and complete to the best of my knowledge;
5. this proposal is submitted by, or on behalf of, the party that will be legally responsible for service delivery should a contract be awarded.

Signature of Authorized Official Date

Name of Signatory: _____

Company: _____

Title: _____ Phone: _____

Address: _____

Federal Employer ID# or SSN#: _____

PROPOSAL REFERENCES
(Use as page 2 of proposal)

Vendor shall provide the following reference information for five current customers for whom the vendor has provided its services for a similar size and scope as this solicitation. Vendor should provide an adequate description of the services provided for the Court to understand the nature of the services. Add page(s) if additional space is needed.

1. Client Name: _____
Address: _____
City/State/Zip Code: _____
Primary Contact: _____
Telephone Number: _____
Email Address: _____
Length of Business Relationship with Client: _____

2. Client Name: _____
Address: _____
City/State/Zip Code: _____
Primary Contact: _____
Telephone Number: _____
Email Address: _____
Length of Business Relationship with Client: _____

3. Client Name: _____
Address: _____
City/State/Zip Code: _____
Primary Contact: _____
Telephone Number: _____
Email Address: _____
Length of Business Relationship with Client: _____

4. Client Name: _____
Address: _____
City/State/Zip Code: _____
Primary Contact: _____
Telephone Number: _____
Email Address: _____
Length of Business Relationship with Client: _____

5. Client Name: _____
Address: _____
City/State/Zip Code: _____
Primary Contact: _____
Telephone Number: _____
Email Address: _____
Length of Business Relationship with Client: _____

VENDOR PROFILE

(Information can be on a separate sheet)

What is the physical address, mailing address, and fax number of your company's main office?

Who in your company will be our primary point of contact during the proposal evaluation process? (Please provide name, title, direct phone number, e-mail address, fax number, and mailing address).

Who in your company is authorized to negotiate a contract with us? (Please provide name, title, direct phone number, fax number, and mailing address).

Provide a brief history of your company.

Indicate the total number of employees in your company and their distribution by function.

Provide most recent three years of financial reports.

Comment on any partnership(s) with other vendors.

SECTION 6 TERMS AND CONDITIONS

Arizona Supreme Court
Administrative Office of the Courts

The successful bidder will be required to sign a contract containing substantially the same terms and conditions as presented in this Section. Any exceptions to the contract language must be listed in the response.

Arizona Supreme Court
Administrative Office of the Courts

Solicitation No.: _____
Vendor: _____

"Court" means the Arizona Supreme Court, Administrative Office of the Courts. "State" means the State of Arizona and its departments, agencies, boards and commissions. "Contract" or "Agreement" means the agreement between the Court and the vendor named, including all attachments and other documents incorporated by reference. "Contractor" means the vendor named above.

SPECIAL TERMS AND CONDITIONS

1. At no additional cost to the Court, the contractor shall provide telephone-based customer support service for applications, equipment operation, and troubleshooting for a term of the contract from the date of acceptance by the Court.

2. The Contractor shall not use the Court's information for any purpose except as authorized by the statement of work and shall also be held responsible for knowing and complying with security measures applicable to the classification assigned to data and documents by their designated owners.

3. Any materials, including reports, computer programs and other deliverables, created under this Contract, excluding those contained in licensing provisions are the sole property of the Court. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the Court. It is further agreed that ownership of all records relating to this Contract resides exclusively with the Court, regardless of the repository from which they are accessed.

4. Upon request by the Court, the Contractor must disclose any existing strategic alliances, partnerships, or subcontracting arrangements that the Contractor has which involve the processing and/or use of court data or documents acquired pursuant to this Contract.

5. When the Contract Term ends or in the event the Contract is terminated with or without cause, the Contractor, whenever determined appropriate by the Court, shall assist the

Court in the transition of services to other Contractors or the Court. Such assistance and coordination shall include but not be limited to, the forwarding of Contract works, electronic files and other records as may be necessary and to assure the smoothest possible transition and continuity of services. The cost of reproducing and forwarding such records and other materials shall be borne by the Contractor. The Contractor must make provisions for continuing all performance under this Contract, to include management/administrative services until the transition of services is complete and all other requirements of this Contract are satisfied.

6. During the course of this Contract, if deemed in the best interest of the Court, an extension of time may be granted by written mutual agreement. The due date of delivery of an assignment may not be extended without written authorization of the Court. To be considered, requests for extension must be submitted by the Contractor, in writing, no less than five (5) working days prior to the original due date. Due date extensions will not be granted without compelling cause. A compelling cause will, in most cases, be a change order or revision initiated by the Court. However, any time extension so granted shall not constitute or operate as a waiver by the Court of any of its rights herein.

7. It is highly desirable that FARE operations and staff be located in the state of Arizona.. This will be one of the added value evaluation criteria used when awarding a contract resulting from this solicitation. While it is understandable that certain third-party providers, such as mass mailing centers or other contractors, may be out-of-state, the FARE is intended to be as localized as possible. . All vendor services and staff shall remain domestic within the United States of America.

8. Personnel employed by the vendor, or subcontractors of the vendor, may be required to sign disclosure statements for the purpose of assuring that they do not owe outstanding sanctions to the Arizona courts and requiring disclosure of subsequent violations cited into Arizona courts.

9. Integration with all pre-existing, AOC developed FARE application components and infrastructure (IBM MQ, message formats, Informix data warehouse, etc) unless an alternative is selected.

10. The RFP and Contractor's Response are incorporated by reference and made a part of this Contract. In the event of a conflict between these documents, they shall be interpreted in the following order of precedence:

- A. This Contract
- B. The RFP
- C. The Contractor's Response(s)

STANDARD TERMS AND CONDITIONS

1. **Certification.** By execution of this Contract, Contractor certifies:

- A. The submission of the offer did not involve collusion or other anti-competitive practices.

- B. Contractor shall comply with all applicable state and federal laws, rules, regulations and executive orders governing equal employment opportunity, immigration, nondiscrimination, including the Americans with Disabilities Act, and affirmative action. Contractor shall include a clause to this effect in all subcontracts related to this Contract.
- D. All services rendered hereunder shall be provided in accordance with all applicable federal, state and city ordinances, resolutions, statutes, rules and regulations, including but not limited to the Fair Debt Collection Practices Act, Fair Credit Reporting Act and Consumer Credit Protection Act. Contractor shall, at its expense, obtain and maintain all licenses, permits, and authority necessary to do business, renders services, and perform work under this Agreement.
- D. The Contractor has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with this Contract. Signing this Contract with a false statement shall void the Contract and may be subject to all legal remedies provided by law.
- E. No individual or agent has been employed or retained to solicit or secure this Contract for a commission, percentage, brokerage or contingent fee, except a bona fide employee maintained by Contractor to secure business. This paragraph does not apply to payment of fees for assistance in marketing, installation, and support or for any other purpose in performance of this Contract.
2. **Availability of Funds.** Payments for contractual obligations are contingent on funds for that purpose being appropriated, budgeted, and otherwise made available, and the provisions of the Contract shall be effective only when funds appropriated for the purpose of compensating Contractor actually are available to the Court for disbursement. The Administrative Director of the Courts shall be the sole judge and authority in determining the availability of funds under the Contract and shall keep the Contractor informed as to the availability of funds. The Court shall not be liable for any purchases or subcontracts entered into by Contractor in anticipation of funding.
3. **Applicable Law.** The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of this Contract and any dispute thereunder. Any action relating to this Contract shall be brought in an Arizona Court in Maricopa County. Any changes in the governing laws, rules and regulations during the term of this Contract shall apply and do not require an amendment to this Contract.
4. **Arizona Procurement Code.** The Arizona Procurement Code (ARS Title 41, Chapter 23) and the Arizona Supreme Court Rules Prescribing Procurement Policies and Procedures for the Judicial Branch (Judicial Branch Procurement Rules) are incorporated as a part of this document as if fully set forth herein.
5. **Entire Agreement.** The Contract contains the entire agreement between the Court and the Contractor concerning the subject transaction and shall prevail over any and all previous agreements, contracts, proposals, negotiations, purchase orders or master agreements in any form.
6. **Amendments.** This Contract shall be modified only by a written Contract amendment signed by persons duly authorized to enter into contracts on behalf of the Court and the Contractor. The term of the resultant contract shall be effective the date

specified on the signature page and shall remain in effect for five (5) years unless terminated, cancelled, or extended as otherwise provided herein. The court has no obligation to extend or renew this contract. However, this contract may be extended or renewed for an additional (5) five years.

7. **Provisions Required by Law.** Each and every provision of law and any clause required by law to be in the Contract shall be read and enforced as though it were included herein, and if through mistake or otherwise any such provision is not inserted, or is not correctly inserted, then upon the application of either party the Contract shall forthwith be physically amended to make such insertion or correction.

8. **Conflicts of Interest.** The Court may cancel this Contract without penalty or further obligation pursuant to ARS § 38-511, if any person significantly involved in initiating, negotiating, securing, drafting, or creating the Contract on behalf of the Court is or becomes at any time, while the Contract or any extension of the Contract is in effect, an employee of any other party to the Contract in any capacity or a consultant to any other party to the Contract with respect to the subject matter of the Contract. Cancellation shall be effective when written notice from the Court is received by all parties to the Contract unless the notice specifies a later time.

9. **Severability.** If any provision of the Contract is held invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extent permitted by law.

10. **Relationship of the Parties.** It is clearly understood that each party shall act in its individual capacity and not as an agent, employee, partner, joint venture, or associate of the other. An employee or agent of one party shall not be deemed or construed to be the employee or agent of the other party for any purpose whatsoever. The Contractor is an independent contractor in the performance of work and the provision of services under this Contract, and taxes or Social Security payments shall not be withheld from a Court payment issued hereunder.

11. **Interpretation.** This Contract is intended by the parties as a final, complete and exclusive statement of the terms of their agreement. No course of prior dealings between the parties and no usage of the trade shall be relevant to supplement or explain any term used in this Contract. Acceptance or acquiescence in a course of performance rendered under this Contract shall not be relevant to determine the meaning of this Contract even though the accepting or acquiescing party has knowledge of the nature of the performance and opportunity to object. Whenever a term defined by the Arizona procurement code or the Judicial Branch Procurement Rules is used in this Contract, the definition contained in this code or these rules shall control with the provisions of the Judicial Branch Procurement Rules governing in the case of conflicting terms.

12. **Assignment - Delegation.** No right or interest in this Contract shall be assigned by the Contractor or the Court without prior written permission of the other party, and no delegation of any duty of the Contractor or the Court shall be made without prior written permission of the other party. The Court and the Contractor will not unreasonably withhold approval and will notify the other of its position within 15 days of receipt of written notice by the other. Any attempt to assign any of the rights, duties or obligations of this Contract, or otherwise assign any item acquired under this Contract, without such consent is void.

13. **Subcontracts.** No subcontract shall be entered into by the Contractor with any other party to furnish any of the material, service or construction specified herein without

the advance written approval of the Court. All subcontracts shall comply with Federal and State laws and regulations which are applicable to the services covered by the subcontract and shall include all the terms and conditions set forth herein which shall apply with equal force to the subcontract, as if the subcontractor were the Contractor referred to herein. The Contractor is responsible for Contract performance whether or not subcontractors are used. The Court shall not unreasonably withhold approval and shall notify the Contractor of the Court's position within 15 days of receipt of written notice by the Contractor.

14. **Rights and Remedies.** No provision in this document or in the Contractor's offer shall be construed, expressly or by implication as a waiver by either party of any existing or future right and/or remedy available by law in the event of any claim of default or breach of contract. The failure of either party to insist upon the strict performance of any term or condition of the Contract or to exercise or delay the exercise of any right or remedy provided in the Contract, or by law, or the acceptance of materials or services, or the payment for materials or services, shall not release either party from any responsibilities or obligations imposed by this Contract or by law, and shall not be deemed a waiver of any right of either party to insist upon the strict performance of the Contract.

15. **Disputes.**

A. Contract Administrator Procedure. If any dispute arising under this Contract is not disposed of by agreement between the parties within thirty (30) days, then the Court contract administrator identified in this Contract shall decide the dispute in writing and send a copy of the decision to Contractor.

B. Appeals. If the Court contract administrator's decision is not acceptable to Contractor, the dispute shall be resolved in accordance with the procedures set forth in Supreme Court Administrative Policy 7.04.

C. Continued Performance. The Court and the Contractor agree that the existence of a dispute notwithstanding, they will continue without delay to carry out all their responsibilities under this Contract that are not affected by the dispute.

D. After exhausting applicable administrative reviews, the parties agree to use arbitration where the sole relief sought is monetary damages of Fifty Thousand Dollars (\$50,000) or less, exclusive of interest and costs, pursuant to A.R.S. § 12-1518.

16. **Warranties.** Contractor warrants that all material, service or construction delivered under this Contract shall conform to the specifications of this Contract. Mere receipt of shipment of the material, service, or construction specified, and any inspection incidental thereto by the Court, shall not alter or affect the obligations of the Contractor or the rights of the Court under the foregoing warranties. Additional warranty requirements may be set forth in this document.

17. **Indemnification.** The parties to this contract agree that the Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards, and commissions shall be indemnified and held harmless by the contractor for the vicarious liability of the Court as a result of entering into this contract. However, the parties further agree that the Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards and commissions shall be responsible for their own negligence. Each party to this contract is responsible for its own negligence.

18. **Overcharges by Antitrust Violations.** The Court maintains that, in actual practice, overcharges resulting from antitrust violations are borne by the purchaser. Therefore, to the extent permitted by law, the Contractor hereby assigns to the Court any and all claims for such overcharges as to the goods or services used to fulfill the Contract.

19. **Force Majeure.**

- A. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "force majeure" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God, acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts, or failures or refusal to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence. The force majeure shall be deemed to commence when the party declaring force majeure notifies the other party of the existence of the force majeure and shall be deemed to continue as long as the results or effects of the force majeure prevent the party from resuming performance in accordance with this agreement.
- B. Force majeure shall not include the following occurrences:
- (1) Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market.
 - (2) Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.
- C. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practical, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be hand delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by contract modification for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

20. **Right to Assurance.** Whenever one party to this Contract in good faith has reason to question the other party's intent to perform, he may demand that the other party give a written assurance of this intent to perform. In the event that a demand is made and no written assurance is given within five (5) days, the demanding party may treat this failure as an anticipatory repudiation of the Contract.

21. **Records.** Pursuant to provisions of Title 35, Chapter 1, Article 6 Arizona Revised Statutes §35-214 and §35-215, Contractor shall retain, and shall contractually require each subcontractor to retain, all books, accounts, reports, files and other records relating

to the acquisition and performance of the Contract for a period of five (5) years after the completion of the Contract. All such documents shall be subject to inspection and audit at reasonable times. Upon request, a legible copy of any or all such documents shall be produced at the offices of the Auditor General, the Attorney General, the Supreme Court or any other court doing business under this Contract. This paragraph does not apply to confidential information or trade secrets, such as product costing data, research and development data, and the like.

22. **Advertising.** Contractor shall not advertise or publish information concerning this Contract without prior written consent of the Court. The Court shall not unreasonably withhold permission.

23. **Right to Inspect Plant.** The Court may, at reasonable times, and at the Court's expense, inspect the plant or place of business of Contractor or a subcontractor, which is related to the performance of any contract as awarded or to be awarded, in accordance with the Judicial Branch Procurement Code.

24. **Financial Audit.** At any time during the term of this Contract, the Contractor's financial operations related to this Contract may be audited by the Court, by auditors designated by the Court, or by any other appropriate agency of the state or federal government.

25. **Inspection and Acceptance.** All material, service and construction are subject to final inspection and acceptance by the Court. Material, software or services failing to conform to the specifications of this Contract shall be held at Contractor's risk and may be returned to the Contractor. If so returned, all costs are the responsibility of the Contractor. Compliance shall conform to the termination clause set forth in this document.

26. **Liens.** All goods, services and other deliverables supplied to the Court under this Contract shall be free of all liens other than the security interest held by the Contractor until payment in full is made by the Court. Upon request of the Court, the Contractor shall provide a formal release of all liens.

27. **Payment.** A separate invoice shall be issued for each shipment of material or service performed, and no payment shall be issued prior to receipt of material, service or construction and correct invoice and acceptance by the Court. Payment shall be subject to the provisions of ARS Title 35. The Court will provide the Contractor with a contract number and the Contractor will reference the number on all invoices. The Court will make every effort to process payment for the purchase of goods or services within (30) calendar days after receipt of goods or services and a correct invoice of amount due, unless a good faith dispute exists as to any obligation to pay all or a portion of the account. Payment for deliverables subject to an acceptance test shall be made within 30 days following acceptance. Any amount that is due after (30) calendar days will be considered past due.

28. **Licenses and Permits.** Contractor shall maintain in current status all federal, state, and local licenses and permits required for the operation of the business conducted by the Contractor as applicable to this Contract.

29. **Insurance.** Without limiting any liabilities or any other obligation of the Contractor, the Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract, are satisfied, insurance against claims for injury to persons or damage to property which may arise

from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The *insurance requirements* herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. Neither the Court nor the State of Arizona in any way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. Minimum Scope and Limits of Insurance: Contractor shall provide coverage with limits of liability not less than those stated below.

1. Commercial General Liability – Occurrence Form

Policy shall include bodily injury, property damage, personal injury and broad form contractual liability coverage.

• General Aggregate	\$2,000,000
• Products – Completed Operations Aggregate	\$1,000,000
• Personal and Advertising Injury	\$1,000,000
• Blanket Contractual Liability – Written and Oral	\$1,000,000
• Fire Legal Liability	\$ 50,000
• Each Occurrence	\$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***“The Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards, commissions, officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor”.***
- b. Policy shall contain a waiver of subrogation against the Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. Worker's Compensation and Employers' Liability

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$ 500,000
Disease – Each Employee	\$ 500,000
Disease – Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. 23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

3. Technology/Network Errors and Omissions Insurance

Each Claim	\$1,000,000
Annual Aggregate	\$1,000,000

Coverage to include:

- Hostile action or a threat of hostile action with the intent to affect, alter, copy, corrupt, destroy, disrupt, damage, or provide unauthorized access/unauthorized use of a computer system including exposing or publicizing confidential electronic data or causing electronic data to be inaccessible;
 - Computer viruses, Trojan horses, worms and an other type of malicious or damaging code;
 - Dishonest, fraudulent, malicious, or criminal use of a computer system by a person, whether identified or not, and whether acting alone or in collusion with other persons, to affect, alter, copy corrupt, delete, disrupt, or destroy a computer system or obtain financial benefit for any party or to steal or take electronic data;
 - Denial of service for which the insured is responsible that results in the degradation of or loss of access to internet or network activities or normal use of a computer system;
 - Loss of service for which the insured is responsible that results in the inability of a third party, who is authorized to do so, to gain access to a computer system and conduct normal internet or network activities;
 - Access to a computer system or computer system resources by an unauthorized person or an authorized person in an unauthorized manner;
 - Loss or disclosure of confidential information no matter how it occurs;
 - Systems analysis;
 - Software design;
 - Systems programming;
 - Data processing;
 - Systems integration;
 - Outsourcing including outsourcing development and design;
 - Systems design, consulting, development and modification;
 - Training services relating to computer software or hardware;
 - Management, repair and maintenance of computer products, networks and systems;
 - Marketing, selling, servicing, distributing, installing and maintaining computer hardware or software; and
 - Data entry, modification, verification, maintenance, storage, retrieval or preparation of data output.
- a. In the event that the professional liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract; and that either continuous coverage will be maintained or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

- b. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the Scope of Work of this contract.

4. **Fidelity Bond or Crime Insurance**

Bond or Policy Limit \$ 5,000,000

- a. The bond or policy shall be issued with minimum limits of \$100,000.
 - b. The bond or policy shall include coverage for all directors, officers, agents and employees of the Contractor.
 - c. The bond or policy shall **include coverage for third party fidelity.**
 - d. The bond or policy shall **include coverage for theft and mysterious disappearance.**
 - e. The bond or policy shall **contain no requirement for arrest and conviction.**
 - f. The bond or policy shall cover loss outside the premises of the **Named Insured.**
- B. **Additional Insurance Requirements:** The policies shall include, or be endorsed to include, the following provisions:
- 1. The Arizona Supreme Court, the State of Arizona, and their departments, agencies, boards, commissions, officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered to the full limits of liability purchased by the Contractor, even if those limits of liability are in excess of those required by this Contract.
 - 2. The Contractor's insurance coverage shall be primary insurance with respect to all other available sources.
 - 3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- C. **Notice of Cancellation:** With the exception of (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require (30) days written notice to the State of Arizona. Such notice shall be sent directly to Ms. Melba Davidson, 1501 W Washington, Suite 105, Phoenix, AZ 85007 and shall be sent by certified mail, return receipt requested.
- D. **Acceptability of insurers:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the state of Arizona with an "A.M. Best" rating of not less than A- VII. The Court and the State of Arizona in no way warrant that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.
- E. **Verification of Coverage:** Contractor shall furnish the Court with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and endorsements are to be received and approved by the Court before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as

required by this Contract, or to provide evidence of renewal, is a material breach of contract.

All certificates required by this Contract shall be sent directly to Ms. Melba Davidson, 1501 W Washington, Suite 105, Phoenix, AZ 85007. The Court's contract number and project description shall be noted on the certificate of insurance. The Court reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT DIVISION.**

- F. **Subcontractors:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies **or** Contractor shall furnish to the Court separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.
- G. **Approval:** Any modification or variation from the *insurance requirements* in this Contract shall be made by the contracting agency in consultation with the Court. Such action will not require a formal Contract amendment, but may be made by administrative action.
- H. **Exceptions:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.
30. **Safety Standards.** All items supplied on this Contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, the National Electric Code, and the National Fire Protection Association standards.
31. **Confidentiality of Records.** The Contractor shall establish and maintain procedures and controls that are acceptable to the Court for the purpose of assuring that no information contained in its records or obtained from the Court or from others in carrying out its functions under the Contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties under the Contract. Persons requesting such information should be referred to the Court. Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by the Court.
32. **Patents and Copyrights.** The Contractor will, at its expense, defend the Court against any claim that any item furnished under this Contract infringes a patent or copyright in the United States or Puerto Rico. The Contractor will pay all costs, damages, and attorney's fees that a court finally awards as a result of such claim. To qualify for such defense and payment, the Court will give the Contractor prompt written notice of any such claim and allow the Contractor to control, and fully cooperate with the Contractor in, the defense and all related settlement negotiations.

If the use of any item furnished under this Contract becomes, or the Contractor believes is likely to become, the subject of such a claim, the Court will permit the Contractor, at

the Contractor's option and expense, either to secure the right for the Court to continue using the item or to replace it or modify it so that it becomes non-infringing so long as the item continues to meet the specifications of the original Contract. However, if neither of the foregoing alternatives is available on terms which are reasonable in the Contractor's judgment, the Court will return the item upon the Contractor's written request. The Contractor will grant the Court a credit for returned items in the full amount of the purchase price.

The Contractor shall have no obligation with respect to any such claim based upon the Court's modification of the item or its combination, operation or use with apparatus not furnished by the Contractor.

This paragraph states the Contractor's entire obligation to the Court regarding infringement or the like.

33. **Taxes.** The Arizona Supreme Court is exempt from Federal Excise Tax, including the Federal Transportation Tax. The Court will pay all applicable taxes resulting from this Contract or activities hereunder exclusive of taxes based on Contractor's net income. Sales tax, as required, shall be indicated as a separate item on all invoices.

34. **Other Contracts.** The Court may perform additional work related to this Contract or award other contracts for such work. The Contractor shall reasonably cooperate with such other contractors or state employees in the scheduling of and coordination of its own work with such additional work.

35. **Termination.**

A. The Court reserves the right to terminate the whole or any part of this Contract due to failure by the Contractor to carry out any material obligation, term or condition of the Contract. The Court will issue written notice to Contractor for acting or failing to act as in any of the following:

- (1) The Contractor provides material that does not meet the specifications of the Contract;
- (2) The Contractor fails to adequately perform the services set forth in the specifications of the Contract;
- (3) The Contractor fails to complete the work required or to furnish the materials required within the time stipulated in the Contract;
- (4) The Contractor fails to make progress in the performance of the Contract and/or gives the Court reason to believe that the Contractor will not or cannot perform to the requirements of the Contract.

B. Upon receipt of the written notice of concern, the Contractor shall have ten (10) days to provide a satisfactory response. During the ten day period, the parties will have an opportunity to address the concern. If the response is considered unsatisfactory, the Court will so indicate and participate in continued discussion toward resolving the concern. This process will continue during the ten day period until the concern is adequately addressed. Failure on the part of the Contractor to satisfactorily address all issues of concern by the end of the ten day period may result in the Court resorting to any single or combination of the following remedies:

- (1) Cancel the Contract;
- (2) Reserve all rights or claims to damage for breach of any covenants of the Contract;
- (3) Perform any test or analysis on materials for compliance with the specifications of the Contract. If the results of any test or analysis confirm a material noncompliance with the specifications, any reasonable expense of testing shall be borne by the Contractor;
- (4) In case of default, the Court reserves the right to purchase materials, or to complete the required work in accordance with the Judicial Branch Procurement Code. The Court may recover any reasonable actual excess costs up to the greater of \$100,000 or the purchase price of the equipment or services that are the subject matter of, or directly related to, the cause of action, from the Contractor by:
 - (a) Deduction from an unpaid balance;
 - (b) Collection against any bid and/or performance bond, or:
 - (c) Any combination of the above or any other remedies as provided by law.

C. Undue Influence. The Court may, by written notice to the Contractor, also terminate this Contract if it is found that gratuities in the form of entertainment, gifts, or otherwise were offered or given by the Contractor or any agent or representative of the Contractor, to any officer or employee of the Court with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending or the making of any determinations with respect to the performance of such Contract. If the Contract is terminated under this section, the Court shall be entitled, in addition to any other rights and remedies, to recover or withhold from the Contractor the amount of the gratuity. Paying the expense of normal business meals which are generally made available to all eligible customers shall not be prohibited by this paragraph.

D. Conflicts of Interest. The Court may cancel this Contract without penalty or further obligation pursuant to A.R.S. § 38-511, if any person significantly involved in initiating, negotiating, securing, drafting, or creating this Contract on behalf of the Court is or becomes at any time, while this Contract or any extension of this Contract is in effect, an employee of any other party to this Contract in any capacity or a consultant to any other party to this Contract with respect to the subject matter of this Contract. Cancellation shall be effective when written notice from the Court is received by all parties to this Contract, unless the notice specifies a later time.

36. **Price Reduction.** A price reduction adjustment may be offered at any time during the term of this Contract and shall become effective upon notice.

37. **Installation.** Any order, acceptance or other document evidencing a purchase under this Contract for equipment or software shall describe the responsibilities of the parties regarding installation of the goods ordered, including the establishment of the date of installation.

38. **Unenforceability of Provisions.** If any provision of this Contract is held invalid or unenforceable, the remaining provisions shall continue valid and enforceable to the full extent permitted by law.
39. **Independent Contractor Status.** Contractor is an independent contractor in the performance of work and the provision of services under this Contract and is not to be considered an officer, employee, or agent of the State of Arizona or the Court.
40. **Failure to Waive Compliance.** Acceptance by administration of performance not in strict compliance with the terms hereof shall not be deemed to waive the requirement of strict compliance for all future performance obligations.
41. **Certification of Employee Status.** Contractor certifies that no individual or agent has been employed or retained to solicit or secure this Contract for a commission, percentage, brokerage, or contingent fee, except a bona fide employee maintained by Contractor to secure business.
42. **Public Record.** This Contract is a public record, available for review, as required by state law.
43. **Criminal History Check.** The Court may require Contractor to provide identifying information for Contractor and any individuals working in judicial facilities or having access to judicial information for the purposes of conducting a criminal history records check for security purposes. Contractor agrees to cooperate with such requests and understands that the Court may terminate this Agreement if the results of the criminal history records check would disqualify the Contractor or individual and there is no acceptable alternative.
44. **Scrutinized Business Operations.** Pursuant to A.R.S. §35-391.06 and 35.393.06 the Contractor certifies that it does not have a scrutinized business operation in Sudan or Iran. For the purpose of this Section the term “scrutinized business operations” shall have the meanings set forth in A.R.S. §35-391 or and 35-393, as applicable. If the Court determines that the Contractor submitted a false certification, the Court may impose remedies as provided by law including cancellation or termination of this Agreement.
45. **Compliance with the Arizona Legal Workers Act. A.R.S. §41-4401**
- a. Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants in compliance with A.R.S. §23-214(A). (That subsection reads: “After December 31, 2007, every employer, after hiring an employee, shall verify the employment eligibility of the employee through the E-Verify program”). If this compliance requirement disqualifies any of Contractor’s key personnel or individuals working at the direction of Contractor and no acceptable alternative is provided the Court may terminate this Contract.
 - b. A breach of a warranty regarding compliance under subparagraph A shall be deemed a material breach of the contract that is subject to penalties up to and including termination of the contract.
 - c. The Court retains the legal right to audit and inspect the papers of any of Contractor’s employee or subcontractor’s employee who works on the contract to

ensure that Contractor's personnel and any person working at the direction of Contractor is complying with the warranty under subparagraph

46. **Offshore Performance of Work Prohibited.** Any services that are described in the specifications or scope of work that directly serve the AOC or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

47. **Suspension or Debarment.** The AOC may, by written notice to the Contractor, immediately terminate this Contract if the AOC determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

48. **Ownership of Information.** Title to all reports, information, or data, prepared by Contractor in performance of this Contract shall vest with the Court. Subject to applicable state and federal laws and regulations, Court shall have full and complete rights to reproduce, duplicate, disclose, and otherwise use all such information.

Deliverables provided by Contractor hereunder may contain Contractor's pre-existing works, including but not limited to forms, techniques, processes, methodologies, and general know-how ("Contractor Pre-Existing Works"). In connection with any Contractor Pre-Existing Works provided to Court hereunder, Contractor grants the Court a non-exclusive, perpetual, worldwide, fully paid-up, royalty free license to make, use, copy, reproduce, modify, make derivative works thereof, and/or distribute the Pre-Existing Works and such derivative works.

49. **Notices.** Notice required pursuant to the terms of this Contract shall be in writing and shall be directed to the Court's contract administrator and Contractor's representative at the addresses specified immediately below or to such other persons or addresses as either party may designate to the other party by written notice. Notice shall be delivered in person or by certified mail, return receipt requested.

NOTICE TO THE COURT:
Administrative Office of the Courts
1501 W. Washington #415
Phoenix, AZ 85007
Attn: Stewart Bruner

NOTICE TO THE CONTRACTOR:
[insert mailing address for
vendor's representative and
representative's name]
Attn: _____

50. **Amendments and Waivers.** Amendments to this Contract shall be in writing and shall be signed by all parties to the Contract. To the extent that any amendments to the Contract are in conflict with the basic terms and conditions of the Contract, the amendments shall control the interpretation of the Contract. No condition or requirement contained in or made a part of this Contract shall be waived or modified without a written amendment to this Contract.

ARIZONA SUPREME COURT
ADMINISTRATIVE OFFICE OF THE COURTS

[VENDOR NAME]

BY: _____

BY _____

TITLE: _____

TITLE: _____

DATE: _____

DATE: _____

Social Security or Federal Employer I.D. No.:

APPENDIX A PROPOSAL PRICE SHEET

Vendor is to provide pricing for the total cost of the system based on the combination of cost factors that follow. Vendor must return the completed worksheets with the proposal documents. This specific information is important for RFP evaluators to consider.

1. All deliverables and service requirements must be priced and are considered an integral part of the system.
2. For each service requirement contained in this worksheet, vendor is to confirm acknowledgement of:
 - a. Existing Services (Yes or No; indicates the requirement exist within the base product)
 - b. Development Required (Yes or No; indicates deliverable would require development)
 - c. Overall Deliverable Development Cost (Programming, enhancements, business process development and resource cost)
 - d. Unit Of Measure (UOM) (Vendor must define unit of measure and the price per unit of measure)
 - e. Price (UOM)
3. Vendor shall add additional detailed line items to the price sheet to identify development costs above normal support levels or other costs items not identified below.

Business Deliverables	Deliverable Requirement	Existing Service (Y/N)	Development Required (Y/N)	Overall Deliverable Development Cost	Unit of Measure (UOM)	Price/UOM
Noticing	Section 3.5 (pg. 35-37)					
Mailing/Postage	Section 3.5 (pg. 36)					
Skip-Tracing	Section 3.5 (pg. 37)					
Credit Bureau	Section 3.5 (pg. 39)					
Wage Garnishment	Section 3.5 (pg. 39)					
Credit/Debit Card & EFT Fees	Section 3.5 (pg. 33)					
Outbound Calling	Section 3.5 (pg. 39)					

Business Deliverables	Deliverable Requirement	Existing Service (Y/N)	Development Required (Y/N)	Overall Deliverable Development Cost	Unit of Measure (UOM)	Price/UOM
Citation Data Entry	Section 3.5 (pg. 41)					
Lockbox Services	Section 3.5 (pg. 41)					
Training & Implementation Services	Section 3.5 (pg. 40)					
Dispute Resolution Services	Section 3.5 (pg. 40)					
Traditional Collections	Section 3.5 (pg. 41)					

Technical Deliverables	Deliverable Requirement	Existing Service (Y/N)	Development Required (Y/N)	Overall Deliverable Development Cost	Unit of Measure (UOM)	Price/UOM
Data Transmission & Transfer Services	Section 3.5 (pg. 28)					
Security System	Section 3.5 (pg. 28-30)					
Triggers	Section 3.5 (pg. 30)					
Transaction Status Flags	Section 3.5 (pg. 30-31)					
Transaction Type: Real-time	Section 3.5 (pg. 32)					
Transaction Type: Batch	Section 3.5 (pg.32)					
Payment Gateway (Website)	Section 3.5 (pg. 33-34)					

Business Deliverables	Deliverable Requirement	Existing Service (Y/N)	Development Required (Y/N)	Overall Deliverable Development Cost	Unit of Measure (UOM)	Price/UOM
Interactive Voice Response (IVR) Line	Section 3.5 (pg. 33-34)					
Merchant Processing	Section 3.5 (pg. 33-34)					
Reporting and Data Access	Section 3.5 (pg. 34-35)					
Traffic Ticket Enforcement Assistance Program (TTEAP)	Section 3.5 (pg. 37-38)					
Person Matching	Section 3.5 (pg. 38)					
Test Environment	Section 3.5 (pg. 40)					
Electronic Document System Imaging	Section 3.5 (pg. 41)					
Photo Radar Enforcement	Section 3.5 (pg. 41)					
Time Payment Plans	Section 3.5 (pg. 41)					