



ARIZONA SUPREME COURT

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

Request for Proposals

RFP 07-05

Quadrennial Review of the Arizona Child Support
Guidelines

September 27, 2007

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SECTION 1 INTRODUCTION AND OVERVIEW

1. Introduction

The Arizona Supreme Court (hereinafter referred to as the Court) is requesting proposals from qualified bidders for a quadrennial review of the Arizona child support guidelines. Bidders who wish to submit a sealed proposal based upon the specifications and conditions in this document shall submit it by 3 P.M. Arizona time on November 8, 2007 in accordance with the schedule below.

The public opening will be conducted at 3 P.M. Arizona Time on November 8, 2007 at the Arizona State Courts Building, 1501 W. Washington, Conference Room 230, Phoenix, Arizona.

2. Proposers' Conference

No proposers' conference will be held.

3. Proposal Schedule

Activity	Date
a. Request for Proposals (RFP) published	Sept. 27, 2007
b. Deadline to Submit Written Questions	Oct. 15, 2007
c. Response to Written Questions/RFP Amendments	Oct. 19, 2007
d. Proposal Due Date*	Nov. 8, 2007

The Court reserves the right to deviate from this schedule.

*** Proposals received after 3 P.M. Arizona Time on November 8, 2007 will be accepted but will not be opened and will not be taken into consideration in the evaluation of proposals.**

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 Unit 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.

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.

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

1. Necessary Documents. Vendors who wish to submit proposals for RFP 07-05 shall complete all necessary documentation as identified in Section 5 of this Request for Proposals.
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.
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 Don Bentley, Arizona Supreme Court at the address referenced on the cover page.
4. Subcontractors. The vendor has sole responsibility for any contracts or agreements made with any subcontractors in relationship to this RFP, and shall disclose all such agreements.
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.
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.

C. Time, if stated as a number of days, will be calendar days.

7. 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 5 P.M. Arizona Time on October 15, 2007 to:

Don Bentley, Procurement Officer
Arizona Supreme Court
1501 West Washington, Suite 105
Phoenix, Arizona 85007-3231
Email: dbentley@courts.az.gov
Fax: (602) 452-3735

The question and response 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.supreme.state.az.us/rfp>.

8. Submission of Proposal

A. Sealed proposals are due on or before 3 P.M. Arizona Time on November 8, 2007 to Don Bentley, 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 original and 7 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.

9. Public Opening

A public opening of proposals shall be held at 3 P.M. Arizona Time on November 8, 2007 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.

10. 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 Unit, taking into consideration the evaluation factors set forth in the RFP.

SECTION 3 SPECIFICATIONS

Purpose:

The purpose of this Request for Proposals is to obtain a vendor(s) to complete a review of the Arizona Child Support Guidelines in compliance with Arizona Revised Statutes § 25-320 and Federal regulation 45 C.F.R. 302.56. Additionally, the vendor shall furnish the Arizona Supreme Court, Administrative Office of the Courts (hereinafter referred to as the AOC), a report as specified in the Scope of Work section.

Background:

Section 18 of the Child Support Enforcement Amendments of 1984 (Pub. L. 98-378) amended Title IV-D of the Social Security Act to add section 467 requiring each state, as a condition of State IV-D plan approval, to establish guidelines for child support award amounts within the state. The State was required to make the guidelines available to all judges and other officials who have the power to determine awards.

Section 103 of Public Law 100-485 amended section 467 of the Act, effective October 13, 1989, to delete the clause that the State guidelines need not be binding upon judges or other officials and to require that the state's guidelines be used to create a rebuttable presumption in any judicial or administrative proceeding for the award of child support that the amount of the award which would result from the application of such guidelines is the correct amount of child support to be awarded.

The Arizona legislature has statutorily designated the responsibility for the child support guidelines in Arizona to the Arizona Supreme Court. The statute, A.R.S. § 25-320, states "The supreme court shall review the guidelines at least once every four years to ensure that their application results in the determination of appropriate child support amounts." The Court has reviewed the guidelines seven times. The last revision was effective for all child support orders, whether original orders or modifications of previous orders, entered after December 31, 2004.

Scope of Work:

This scope of this work involves two phases, PHASE I and PHASE II. Each phase is explained below.

The contractor will provide a proposal for each "PHASE" they are interested in completing. For example, if the contractor is only interested in providing a proposal for

PHASE I, then a separate proposal will not be necessary for PHASE II. If a contractor is interested in providing a proposal for each phase, then two separate proposals will be necessary, as specifically noted below.

The AOC may award contracts for only Phase I or both Phases, or may award Phase I to one vendor and Phase II to another, and may elect not to proceed with Phase II at all.

The consultant(s) must have training and experience in the collection and presentation of economic and social science data for use in formulating or evaluating public policy generally. Particular experience with the collection and presentation of such data in the context of the formulation of evaluation of child support guidelines is preferred, as is the ability to consider and work with a variety of approaches to the construction and evaluation of support guidelines.

The contractor will provide a report including the following to the AOC:

PHASE I: Update Child Support Guideline Schedule

A) An updated child support guideline schedule based on estimates of expenditures on children in intact families. The updated schedule should be submitted on CD in a Microsoft Excel spreadsheet format including all formulas and tax considerations.

B) A comparison of the proposed schedule to the existing schedule and a graphical illustration of the resulting support obligation throughout a range of incomes using different assumptions about the number of children and income levels.

C) A section encompassing the following topics:

1. A general discussion of the economic estimates of expenditures on children, including Dr. Betson's previous and most recent estimates as well as other estimates of child expenditures that have been used in formulating state child support guidelines; and, the U.S. Department of Agriculture estimates of child expenditures.¹ The discussion will also describe the methodologies and data used to develop the estimates and the consultant's rationale for its choice of expenditure estimate to employ for the guideline schedule it submits.
2. A section describing the steps taken to arrive at an updated schedule. The steps will start with estimates of child expenditures, describe how they

¹ Betson, D.M. 1990 "Alternative Estimates of the Cost of Children from the 1980-86 Consumer Expenditure Survey." Institute for Research on Poverty, Special Report 51, University of Wisconsin-Madison.

compare to expenditure estimates employed in formulating the 2005 and 2001 Arizona support guidelines, and discuss the likely reasons for any changes in the expenditures estimates over this time period. This section will also explain how taxes are taken into account in moving from the expenditure estimates for intact families at various levels of net income, to the Arizona guideline schedule, which employs gross income. This section will also explain all other steps taken to arrive at the final, updated Schedule.

3. A summary of all the assumptions made in the course of developing the updated schedule the understanding of which is necessary to evaluating their fairness and appropriateness, as well as helpful to guideline users. Three types of comparisons of the existing and proposed schedules; side-by-side comparison of basic obligations amounts under the existing and proposed schedules; tabular and graphical comparisons of monthly order amounts for a range of combined parental gross incomes under the existing and proposed schedules; and a comparison of case examples under the existing and proposed schedules which consider permissible Guideline adjustments for special factors such as child care expenses and shared-parenting time.

D) An analysis of case data gathered through representative sampling or other scientifically valid methods, on the application of and deviations from the guidelines contained in orders entered after December 31, 2004. The analysis should include a compilation, analysis and summary of the written findings used by the court to justify departure from the guideline amount, the frequency of such deviations, and the size of such deviations. The data should be entered in a Microsoft Access database in a way that allows one to link the record of the two parents to one another. The parental records, or other records that can be linked to the parents, must contain fields showing parental incomes, parenting time allocations, support awards, deviation amounts, and findings justifying deviations, as well as any other data elements required by the court approved Parents Worksheet. The database must be documented to facilitate its use by other researchers. The database must be submitted in Microsoft Access electronic format.

E) An analysis of the payment compliance ratio for the cases sampled including an examination of the effect attendance at a mandatory parent education class and/or an adjustment credit for visitation has on compliance.

The report plus six copies and an electronic version of the report in Microsoft Word format are due prior to payment of the selected vendor. Payment for services described in Phase I shall be made to the selected vendor upon receipt of a detailed invoice for

services rendered at the conclusion of the work. The AOC shall process and remit payment to selector vendor within 30 days of the receipt of selected vendor's statement or invoice.

PHASE II: The State of Arizona wishes to examine the level of child support that is necessary to be consistent with the twin goals of protecting child welfare and of treating both parents fairly in the allocation of the support burden between the parents. To meet this goal, a collection of data and answers are necessary in order to assist the Child Support Guideline Review Committee (Committee) to evaluate systematically the fairness of any proposed child support schedule by examining a forward-looking method of calculating child support.

The contractor will provide the following to the AOC:

A) Task 1. The Consultant will provide a report answering each of the following questions. The answers may consist of a range of reasonable estimates, rather than a single number, and should include the consultant's basis for its answer. In the case of questions 1 through 4, the consultant should provide answers for households with one, two, three, four, five and six children.

1. What is the minimum household income required in Arizona to provide a single-parent household the living standard necessary to maintain the basic welfare of the children: adequate nutrition, safe and clean housing, and appropriate clothing and other items needed to successfully attend school? (This will be referred to as *the minimum decent living standard*).
2. What is the income above which additional dollars will contribute relatively little additional well-being to children in an Arizona single-parent household? (This will be referred to as *the well-being maximum*).
3. What is the approximate income required to provide an Arizona single-parent household the same living standard as that of the median-income two-parent Arizona family with the same number of children? What is the approximate income required to provide that same living standard to a single person in Arizona?
4. What is the percentage increase in expenditures required to allow a single person to maintain his or her living standard when children are added to the household? (As used in calculating, or implied by, the answer to Question 3.)

5. What is the minimum household income required in Arizona to provide a single person the living standard necessary to maintain his or her basic welfare: adequate nutrition, safe and clean housing, and appropriate clothing and other items needed to successfully seek and maintain employment?

B) Task 2.

1. The Consultant will construct a spreadsheet, (which shall be submitted to the AOC and made available to the Committee on an electronic format, such as CD), analogous to the one prepared for the Interim Committee by Tara Ellman, the purpose of which is to allow the Child Support Guideline Review Committee to evaluate systematically the fairness of any proposed child support schedule.² The spreadsheet may be constructed as suggested in the following paragraph, or the consultant's bid may propose an alternative method which it believes is superior, or the consultant may adopt an alternative method during the Guideline review process, with the approval of the Child Support Guideline Review Committee.

2. Suggested method for constructing the spreadsheet: This spreadsheet will employ the values the committee chooses as working assumptions (on the basis of the consultant's answers in Task 1) of the answers to Questions 1 through 5 in Task 1. Using those values, the spreadsheet will allow the committee, to compare the estimated relative living standards of the custodial and noncustodial household, before and after any given child support payment, with both one another and with an intact two-parent household with the same income. The spreadsheet must allow calculations of these estimates, for any combination of total parental incomes up to \$20,000 monthly, and any family size up to six children. These estimates will employ the answer to Question 3 in Task 1 to calculate the income of the intact, custodial, and noncustodial household as a percentage of the income which that household would require to live as well as the median Arizona two-parent household with the same number of children. The spreadsheet shall also show the custodial household income as a percentage of the income that household would require to be at the *Minimum Decent Living Standard and Well-Being Maximum*, as fixed by the answers to Questions 1 and 2 in Task 1. The consultant will submit this spreadsheet, combined with instructions for its use, to the AOC by a due date to be specified in the contract. The spreadsheet shall be submitted on CD in Microsoft Excel format including all formulas. The consultant will meet with the committee to instruct it as needed on the use of the spreadsheet, and to assist it in using the spreadsheet to choose guideline amounts for a representative sample of cases.

² Tara Ellman's spreadsheet exemplar as shown in Attachment A.

C) Task 3. After the Child Support Guideline Review Committee has completed its determination, pursuant to Task 2, of the appropriate support amounts for a representative sample of cases, the consultant will interpolate, or otherwise appropriately extend from, those sample cases to a larger support schedule that shows support amounts for 12 values each for the custodial and noncustodial parent incomes, and spans the full income range encompassed by current guidelines (up to \$20,000 per month total parental income). This expanded schedule shall be submitted on CD in Microsoft Excel format to the AOC no later than two months after the completion of Task 2, unless a different schedule is agreed upon by the consultant and the Child Support Guideline Review Committee. The consultant will highlight, for the Committee's attention, any anomalies or potentially unfair results that become apparent in preparing this expanded schedule. The committee will review this expanded schedule, and compare the resulting support amounts with the amounts specified for the same cases by the process completed in Phase I. The consultant shall be available to consult with the committee in this review. The committee will then correct the amounts set out in the expanded schedule as required to avoid anomalies or unfair results.

D) Task 4. After Task 3 is completed, the consultant shall then take the corrected expanded schedule as the basis upon which to create a full schedule suitable for incorporation in the new guidelines. This schedule should be in the form of a computer program or dedicated spreadsheet in Microsoft Excel format, into which the user may enter each of the parent's incomes, and the number of children which then gives the user the obligor's proportionate share of the Basic Child Support Obligation, as that term is used in the existing Arizona guidelines. The consultant should also be prepared, on request, to provide an Adobe Acrobat PDF file setting out a complete grid of monthly parental incomes (in \$100 increments), and support amounts. The computer program or spreadsheet, and the PDF file, both in electronic format, shall be submitted to the AOC for its approval by a due date to be specified in the contract.

The selected vendor may need to travel in order to be in attendance at meetings with the Child Support Guidelines Review Committee. If the selected vendor is required to travel, the AOC will only reimburse at the Arizona State reimbursement rates for travel.

**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 and 7 copies must be physically in the possession of the Arizona Supreme Court, 1501 W. Washington, Suite 105, no later than 3 P.M. Arizona Time on November 8, 2007.
 - B. The proposal must include all required items on the Proposal Submittal Checklist(s) (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.

PHASE I and PHASE II:

Evaluation Criteria	Relative Importance
A. Vendor's proposed research plan and proposed method of data collection and evaluation.	30%
B. Vendor's demonstrated knowledge and experience with child support guidelines.	30%
C. Price	25%
D. Vendor reputation	15%

SECTION 5 PROPOSAL SUBMITTAL DOCUMENTS

The following materials must be submitted as part of a vendor response to both or either PHASE I and/or PHASE II.

1. Proposal Submittal Letter (see page 16)
2. Three references (see page 17)
3. Vendor Profile (see page 18)
4. Proposal pricing sheets
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. For submission of **Phase I** proposal: proposed timeline for completion of work as described in Phase I. For submission of **Phase II**: proposed timeline for completion of contractor's portion of each of the "Tasks" as described in PHASE II.
7. Additional Data (any additional descriptive/narrative data the vendor wants to submit.

PROPOSAL SUBMITTAL LETTER
(Use as page 1 of proposal)

Mr. Don Bentley
Arizona Supreme Court
Administrative Office of the Courts
1501 W. Washington, Suite 105
Phoenix, Arizona 85007-3231

Dear Mr. Bentley:

In response to your Request for Proposals (RFP) number 07-05, 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)

Vendors shall provide at least three (3) references (Phoenix or Tucson metropolitan areas preferred). Please provide the following information for each reference:

- CLIENT NAME:** Identify the name of the client or site as appropriate.
- CONTACT NAME:** Identify who the point of contact at the client or site should be.
- CONTACT INFORMATION:** Provide the address and telephone number where the client or contact can be reached.
- PROJECT DESCRIPTIONS:** Attach brief descriptions of projects performed for the references provided.

<u>CLIENT NAME</u>	<u>CONTACT NAME</u>	<u>CONTACT INFORMATION</u>
1. _____	_____	_____
2. _____	_____	_____
3. _____	_____	_____

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 annual report and financial statement.

Comment on any partnership(s) with other vendors.

Arizona Supreme Court
Administrative Office of the Courts

CONSULTING SERVICES SAMPLE CONTRACT

This contract is between the ARIZONA SUPREME COURT, ADMINISTRATIVE OFFICE OF THE COURTS ("Court"), located at 1501 W. Washington, Phoenix, Arizona 85007, and _____, ("Contractor") at _____ *[address]*.

1. **Term.** This contract shall begin upon execution and terminate on _____.
2. **Description of Services.** The Contractor agrees to provide the following services to the Court:

[Describe services, deliverables and schedule here, or refer to attachments]

3. **Payment for Services.** The Court agrees to pay the Contractor \$ _____ for the services described herein. All travel and other expenses are included within this amount. Contractor shall submit a detailed invoice for services rendered upon acceptance of the work. Documentation, where appropriate, must accompany each invoice submitted. Court will provide the Contractor with a contract number and the Contractor will reference the number on all invoices. Court shall process and remit payment to Contractor within 30 days of the date of receipt of Contractor's invoice.
4. **Copyrights and Ownership of Material.** By virtue of payment for services rendered under this contract, the Contractor hereby grants the Court and its assigns all rights, title and interest in and to all data, materials or work products produced or created as a result of this contract.
5. **Recordkeeping.** Contractor shall create and retain financial records and other documents relevant to this contract for a period of not less than five years from the ending date of this contract. The Court or its auditor shall have access to such records during the retention period.
6. **Disputes.** Any dispute arising under the Contract shall initially be decided by the contract administrator. The contract administrator's decision may be appealed according to Court Administrative Policy 7.04. Pending the final decision of a dispute hereunder, Contractor shall proceed diligently with the performance of the Contract in accordance with the contract administrator's decision. Notice is provided of the arbitration requirements of ARS §§ 12-1518 and 12-133.
7. **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 disputes thereunder. Contractor shall comply with the applicable sections of all state and federal laws related to non-discrimination, equal access to employment opportunities, undue influence, and conflicts of interest under ARS § 38-511.

8. **Availability of Funds.** Funds may not be currently available for the Court's performance under this Contract beyond the current fiscal year. No legal liability on the part of the Court for any payment may arise under this Contract until and only as long as funds are made available for performance of this Contract. The Court shall make reasonable efforts to secure such funds. If the necessary funds are not made available, then the Court shall provide written notice to the Contractor and may cancel this Contract without further obligation. The Court shall not be liable for any purchases or subcontracts entered into by Contractor in anticipation of funding.

9. **Licenses and Permits.** Contractor shall, at its expense, obtain and maintain all licenses, permits, and authority necessary to do business, render services, and perform work under this Contract, and shall comply with all laws regarding unemployment insurance, disability insurance, and worker's compensation.

10. **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.

11. **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 Contract if the results of the criminal history records check would disqualify the Contractor or individual and there is no acceptable alternative.

12. **Undue Influence.** The Court may terminate this Contract if the Court finds 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 a 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 of the Contractor is not prohibited by this paragraph.

13. **Conflicts of Interest.** The Court may cancel this Contract without penalty or further obligation to the State 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 was at the time or becomes at any time, while this Contract or any extension of this Contract is in effect, an employee, contractor or consultant of the Contractor in any capacity. Cancellation shall be effective when the Contractor receives written notice from the Court, unless the notice specifies a later time.

14. **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.

15. **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.

16. **Review and Acceptance.** All reports and other deliverables are subject to review and acceptance by the Court. Deliverables which do not conform to the specifications of this Contract shall be returned to the Contractor and revised as necessary without additional cost to the Court.

17. **Confidentiality.** The Contractor shall establish and maintain procedures and controls acceptable to the Court to assure that no confidential or personal information obtained from the Court or others and any draft reports and other data assembled and prepared for the purposes of carrying out Contractor's obligations under this Contract shall be used or disclosed by it, its agents, officers, or employees, except as required to efficiently perform Contractor's duties under the Contract. Persons requesting such information should be referred to the Court.

18. **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

19. **Insurance.** Contractor shall procure and maintain until all of its 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 and subcontractors, their agents, representatives, and employees. The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The Court in no 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.

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

The policy shall be endorsed to include the following additional insured language: “The Arizona Supreme Court, the State of Arizona, and their agencies, boards, commissions, 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”.

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

This coverage shall not apply to a contractor or subcontractor exempt under A.R.S. § 23-901 when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

3. Automobile Liability*

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

Combined Single Limit (CSL)	\$1,000,000
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The policy shall be endorsed to include the following additional insured language: “The Arizona Supreme Court, the State of Arizona, and agencies, boards, commissions, 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, involving automobiles owned, leased, hired or borrowed by the Contractor”.

4. Professional Liability (Errors and Omissions Liability)*

Each Claim	\$1,000,000
Annual Aggregate	\$2,000,000

- 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.

** The Court may require this coverage depending on the specifics of the proposal, travel required and the vendor's qualifications.*

- B. Additional insurance requirements: The policies shall include, or be endorsed to include, the following provisions:
1. 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.
 4. All policies shall contain a waiver of subrogation against the Arizona Supreme Court, the State of Arizona, and their agencies, boards, commissions, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- C. Notice of cancellation: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided, canceled, or reduced in coverage or in limits except after thirty (30) days prior written notice has been given to the Court. Such notice shall be sent directly to the Court representative 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 in no way warrants 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 the Court's representative. The Court 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 SECTION.**

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.

20. **Termination and Breach.** The Court may terminate this contract on 30 days written notice. Failure of Contractor to perform any services as required by this contract shall constitute a breach of the contract. In the event of a termination or a breach by Contractor, the Contractor shall be reimbursed only for the value of services actually performed.

ARIZONA SUPREME COURT
Administrative Office of the Courts

[CONTRACTOR'S NAME]

By: _____

By:

Title: _____

Title:

Date: _____

Date:

Social Security or Federal
Employer Identification
No.
