



ARIZONA SUPREME COURT

**Administrative Office of the Courts
1501 West Washington, Suite 221
Phoenix, Arizona 85007**

Request for Proposal
Pursuant to Emergency Procurement Provisions
of the Judicial Procurement Rules

RFP #03-02

CENTRALIZED COMPLIANCE BUREAU

FEBRUARY 10, 2003

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SECTION 1 INTRODUCTION AND OVERVIEW

- 1.1 Introduction - The State of Arizona's Administrative Office of the Courts is requesting proposals from qualified bidders to establish and operate a Centralized Compliance Bureau (CCB) 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. While the Vision of the CCB in the Statement of Work describes a possible structure for the CCB, this request for proposal invites bidders to provide suggestions for improvement in the CCB structure and processes and provide cost estimates accordingly. The court intends to award a contract with at least a three-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. Bidders who wish to submit a sealed proposal based upon the specifications and conditions in this document shall submit it by **3:00 p.m. Mountain Standard Time, Wednesday, March 19, 2003**, in accordance with the schedule below.

The public opening will be conducted at 3:30 pm. Mountain Standard Time, or shortly thereafter, March 19, 2003, at the Arizona State Courts Building, 1501 West Washington, Conference Room 410, Phoenix, Arizona.

- 1.2 Bidders' Conference - A pre-proposal conference will be held on **Monday, February 24, 2003 at 1:00 p.m. Mountain Standard Time** at the Administrative Office of the Courts, 1501 West Washington, Conference Room 230, Phoenix, Arizona. Potential bidders may appear by conference call or in person; those choosing to appear by conference call should contact the Procurement Officer for dial-in instructions. Potential bidders are encouraged to submit written questions in advance of the conference to the Procurement Officer (see Section 2.8). Additional written questions may be submitted at the conference. Written questions received by February 20, 2003 will be addressed at the conference and the answers also posted to the website. A public log will be kept of the names of potential bidders who attended the pre-proposal conference.

Attendance at the pre-proposal conference is NOT a prerequisite for submission of a proposal.

1.3 Proposal Schedule

| Activity | Date |
|--|-------------|
| a. Request for Proposal (RFP) Published..... | 02/10/03 |
| b. Bidders' Conference | 02/24/03 |
| c. Deadline to Submit Written Questions..... | 02/26/03 |
| d. Response to Written Questions/RFP Amendments..... | 03/04/03 |
| e. Proposal Due Date*..... | 03/19/03 |

Note: The Court reserves the right to deviate from this schedule.

*** Proposals received after 3:00 p.m. Mountain Standard Time, on March 19, 2003 will be accepted but will not be opened and will not be taken into consideration in the evaluation of proposals.**

1.4 Emergency Procurement Provisions - Based on Supreme Court Administrative Order No. 2002-113, "Fiscal Emergency in the Judicial Branch of Arizona," this procurement is being administered pursuant to Rule 39 of the Judicial Branch Procurement Rules. In summary, Rule 39 states that an emergency procurement may be made if an urgent and compelling situation exists which makes compliance with Rule 15 (Invitation for Bids) and Rule 23 (Request for Proposals) impracticable, unnecessary or contrary to the interest of the Judicial Branch, except that such procurement shall be as competitive as is practicable under the circumstances. The AOC intends to follow the Request for Proposals process to the extent practicable to provide for maximum competition, to evaluate cost effectiveness and feasibility, and to allow vendors to be creative in proposing solutions. Due to the emergency circumstances, and in the event it becomes necessary, the AOC may impose strict time frames and/or utilize alternatives in selecting the best vendor to meet the needs of the Judiciary.

1.5 Proposal Evaluation - Following the public proposal opening, proposals will be evaluated based upon the criteria outlined in Section 4 of this document. The contract 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 this Request for Proposal. 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. However, bidders should note that one of the evaluation criteria gives credit for operations located within the State of Arizona.

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.

- 1.6 Proposal Discussions - Discussions may be conducted with responsible bidders who submit proposals determined to be reasonably acceptable 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.
- 1.7 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) 542-9329 or text telephone (TDD) 542-9545.

SECTION 2
INSTRUCTIONS AND PROCEDURES FOR SUBMITTING PROPOSALS

- 2.1 Necessary Documents. Vendors who wish to submit proposals for RFP 03-02 shall complete all necessary documentation as identified in Section 5 of this Request for Proposal.
- 2.2 Specifications for Vendors. The specifications included in this package provide adequate information as to whether vendors can meet the needs of the Court. Significant deviations from the specifications may be grounds for disqualification of the proposal.
- 2.3 Procurement Policies and Procedures. 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 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 the Arizona Supreme Court Website at <http://www.supreme.state.az.us/nav2/procure.htm> or from Don Bentley, Arizona Supreme Court, at the address referenced on the cover page.
- 2.4 Relationship with 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.
- 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 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 Sections 2.7 and 5, which contain the proposal

format specifications and submittal checklist, to ensure all required materials have been enclosed.

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

2.7 Proposal Format and Content

A. Format

The AOC discourages overly lengthy and costly proposals; however, in order for the AOC to evaluate proposals fairly and completely, bidders must follow the format set out in this RFP and provide all information requested.

B. Contact Information

As set forth in Section 5, proposals must include the complete name and address of bidder's firm and the name, mailing address, and telephone number of the person the AOC should contact regarding the proposal.

C. Compliance

Proposals must confirm that the bidder will comply with all provisions in this RFP. Proposals must be signed by a company officer empowered to bind the company. A bidder's failure to include these items in the proposals may cause the proposal to be determined to be non-responsive and the proposal may be rejected.

D. Phases of Work

Section 3.6, Implementation Issues, covers two different phases:

Phase 1 - Design, development, test, acceptance and implementation

Phase 2 - Operation

Each of the provisions below should deal with these two phases separately.

E. Methodology Used for the Project

Bidders must provide comprehensive narrative statements that set out the methodology they intend to employ, and illustrate how the methodology will serve to accomplish the work and meet the AOC's project objectives.

F. Management Plan for the Project

Bidders must provide comprehensive narrative statements that set out the management plan they intend to follow and illustrate how the plan will serve to accomplish the work and meet a realistic schedule.

G. 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 deliverable 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, and
- (c) location(s) where work will be performed.

Bidders must provide reference names, phone numbers and brief descriptions of similar projects that the bidder's firm has completed for the references provided (see Section 5.2).

H. 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.

I. Cost Proposal

This part of your proposal must be submitted in a sealed envelope included with the other parts of the original proposal and labeled with your name, the RFP number, and the title "Cost Proposal." Bidders must complete a Cost Proposal form with the format specified in Section 5.4.

J. 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.

K. Contract Issues

Section 6 of this RFP contains the mandatory terms to be incorporated in any state contract. Bidders are required to indicate their acceptance of these terms or to propose alternatives. The AOC reserves the right to reject any proposed terms or to make acceptance of the AOC's terms part of the best and final offer process.

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 **February 26, 2003** to:

Don Bentley, Procurement Officer
Arizona Supreme Court
1501 West Washington, Suite 221
Phoenix, AZ 85007-3231
Email: dbentley@supreme.sp.state.az.us
Fax: (602) 542-9735

The question and response will be posted on the Arizona Judicial Department's website by March 4, 2003. 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>

2.9 Submission of Proposal

- A. Sealed proposals are due on or before **3:00 p.m., Mountain Standard Time, on March 19, 2003**, to Don Bentley, Procurement Officer, Arizona Supreme Court, 1501 West Washington, Suite 221, 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. Cost proposals should be marked and sealed separately.** All proposals must be completed in ink or be typewritten.
- C. The vendor must submit one original and 8 copies of each proposal plus a floppy or compact disk with the proposal in Microsoft Word or Rich Text Format. The Cost Proposal sheets should be submitted with the original and be included on the floppy or compact disk but should not be included with the 8 copies.
- 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.

- 2.10 Public Opening. A public opening of proposals shall be held at **3:30 pm, Mountain Standard Time, on March 19, 2003** at the Arizona State Courts Building, 1501 W. Washington, Conference Room 410, Phoenix Arizona. 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 Responsible Vendor. The contract shall be entered into with the responsible vendor 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.
- 2.12 Presentations. At their option, the AOC may request oral presentations or discussions with any or all of the bidders for the purpose 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 bidder. The AOC will not reimburse for costs related to the development or delivery of any proposals.

SECTION 3 STATEMENT OF WORK

Introduction

In an effort to promote clarity and to enable bidders to accurately estimate costs, this statement of work will describe several aspects of the proposed vendor-provided Centralized Compliance Bureau (CCB). The organization of this Statement of Work is as follows:

3.1 Current Environment – A description of how citations are processed currently, including collection efforts for non-citation cases.

3.2 Goals and Purpose of the CCB – An outline of the purpose of the project, and a description of the overarching goals this solicitation is trying to achieve.

3.3 Vision of the CCB – A description of how a privately run CCB would operate, including the processes and workflow between the CCB and the various courts.

However, this vision is not intended to be conclusive.

3.4 Deliverables – A summary of the mandatory and optional services described in this RFP, which should relate directly to a bidder's cost proposal in **Section 5.4**.

3.5 Alternatives – Bidders are asked to validate the proposed Vision of the CCB and/or offer alternatives that would better address the identified goals and purpose for the project based upon the bidder's understanding of successful court compliance strategies, established business practice, vendor experience or a combination of these factors.

3.6 Implementation Issues – A discussion of the various issues affecting the implementation of the CCB. Bidders are encouraged to suggest efficient and effective implementation strategies.

3.7 Performance Measurement – A set of performance measurements in several CCB service areas, and an explanation of how Service Level Agreements (SLAs) will be determined.

3.8 Other CCB Requirements and Issues – A listing of other requirements and issues affecting the operation and structure of a CCB.

3.9 Glossary – A reference guide to assist bidders in understanding the various abbreviations and technical terms used in this RFP.

The ultimate aim of this Statement of Work is to describe the problems and seek the best solutions, not to prescribe the solutions. It is in this spirit that bidders are encouraged to prepare their responses.

3.1 CURRENT ENVIRONMENT

The Arizona Judicial System has one court of general jurisdiction, with branches in each of Arizona's 15 counties (superior courts) and 163 limited jurisdiction courts – 84 municipal courts (also called city courts) and 79 justice of the peace courts. The limited jurisdiction courts process a variety of case types, including misdemeanors, local ordinances and decriminalized traffic cases, known as civil traffic violations. Persons receiving citations for civil traffic offenses have three options that may be exercised by mail or by appearance in court. The three options are: plead responsible and pay the associated fine, plead not responsible and have a hearing, or complete an approved defensive driving program to have one eligible charge dismissed every two years. Some local ordinances and minor misdemeanors may also be satisfied with a mail plea and payment. Both civil and criminal violations may be written on the same citation form.

The 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 write citations that are filed in municipal courts. The citation forms of all law enforcement agencies are "substantially" similar, but not identical. Up to five violations may be cited on one form.

The limited jurisdiction courts in Arizona use a variety of automated case management systems, and employ various programs to enforce compliance with fines and penalties arising from citations issued by law enforcement agencies for both vehicular and non-vehicle-related minor offenses. Citations are manually input at most court locations, while the law enforcement agency or city inputs this data in some jurisdictions. Most law enforcement agencies issue a court "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 diversion program information, fine amounts, and instructions on how to pay by mail. If a defendant fails to respond to the court, either by mail or in person, the court will enter a default judgment and for most violations, the defendant's driving privileges will be suspended until payment is made to satisfy the judgment. Some courts mail a notice to the defendant prior to suspending driving privileges. The Motor Vehicle Division will send notice to the defendant of pending suspension actions, however driver licenses in Arizona do not expire until age 60 and addresses are often inaccurate. Even then, most jurisdictions do not provide a return envelope with mailed notices to encourage mail-in compliance. No court currently offers web-based payments or interactive voice response system (IVRS), although several are considering implementing one or both of these capabilities.

Courts that are more aggressive with delinquent fine collection use a wide variety of enforcement techniques including referrals to collection agencies, lock-box arrangements, the state tax/lottery intercept program, credit card acceptance, installment accounts, wage garnishments, telephone contact with debtors, and other sanctions. These courts experience better-than-average collection rates. A significant number of other courts do not employ these techniques and therefore experience low collection rates.

One of the possible sanctions that could be imposed to enforce delinquent account compliance, withholding vehicle registration renewal by the state Motor Vehicle Division (MVD), is not utilized but its implementation will be accelerated as part of the Governor's interest in generating more state revenue. This enhanced sanction is called the Traffic Ticket Enforcement Assistance Program (TTEAP), a planned partnership between the courts and the MVD to use driver license and vehicle registration records in compliance efforts. The courts currently advise MVD when certain accounts become delinquent for the purpose of license suspension, but because Arizona has extended renewal periods for driver licenses, the suspension may not force payment for many years. Current law allows TTEAP enforcement only if the underlying charge is vehicular in nature.

Caseloads in the Arizona courts have grown rapidly over the past decade. At the same time, budget constraints for all jurisdictions have limited staff growth in the courts while the demands for timely and accurate case processing and customer service continue to increase. The AOC has been examining alternative ways to reduce routine, non-judicial functions to allow existing staff to focus on customer service and effective case processing, and has determined to contract for a centralized compliance bureau as a key element in this strategy.

Facilitating increased payment options to ensure compliance with financial sanctions on civil traffic charges where there is a plea or judgment of responsible will constitute the highest volume of processing for this project. However, it is important to note that depending upon feasibility, the CCB will also handle other case types, including parking citations, minor offenses, and collection of delinquent financial obligations in criminal cases for general jurisdiction courts, adult and juvenile probation and the Superior Court Clerk's Offices. The following table shows actual and estimated volumes for various case charges and activities:

Table 1: Workload Statistics

| Item | Amount | Period | Actual / Estimate | Comments |
|--|---------------|---------------|--------------------------|---|
| Civil traffic charges filed | 1,274,369 | FY2001-2002 | Actual | Citations usually contain multiple charges |
| Average no. of charges per citation | 2 | FY1999-2000 | Estimate | Citations could contain both criminal and civil traffic charges |
| No. defaulted civil charges | 258,923 | FY2001-2002 | Actual | Number of charges reaching delinquent stage for civil traffic |
| No. failure-to-appear (FTA) charges | 101,085 | FY2001-2002 | Actual | Number FTA charges filed for non-appearance on criminal charges |
| No. of claims in TIPS program | 308,338 | As of 2/6/03 | Actual | These claims have a combined value of \$343,497,836 |
| Average collection rate (Justice courts) | 68.7% | FY2000-2001 | Estimate | |
| Average collection rate (Muni. courts) | 62.5% | FY2000-2001 | Estimate | |
| No. of credit card transactions | 24,481 | FY2001-2002 | Actual | Phoenix Municipal Court only, to provide a reference point |

Arizona Limited Jurisdiction Court Automated Case Processing

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; however, the majority of the citations are processed in courts that have separate and unique case management systems. Those courts are:

Justice of the Peace Courts:

- (1) Maricopa County's 23 justice courts use one system at present, but will be moving to AZTEC (probably within a year)
- (2) Pima County Consolidated Justice Courts; and
- (3) Prescott Justice of the Peace Court (consolidated with the municipal court on the same system)

Municipal Courts (all in Maricopa County):

- (1) Phoenix
- (2) Mesa
- (3) Tempe
- (4) Chandler
- (5) Paradise Valley
- (6) Gilbert/Queen Creek

Description of Court Software Environment

The AZTEC case and cash management system is 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 1500 computers in courts with the AZTEC client application. All AZTEC computers are on the Windows 2000 operating system, utilizing Microsoft Outlook 2000 for e-mail and WordPerfect 8.0 for word processing.

Courts that do not utilize AZTEC have either developed or purchased different case and cash management systems and have little or no commonality with AZTEC or with each other.

The use of hand-held digital devices for issuing non-parking citations has been piloted in Mesa, but was not successful because Arizona's heat made the screens difficult to read. There are possibilities of additional pilots in other jurisdictions using different equipment. Several jurisdictions use hand-held digital devices for the issuance of parking citations.

The AOC Communications Infrastructure

The Arizona Judicial Information Network (AJIN) is primarily a frame relay network that connects 163 court sites. Of the 163 court sites, 107 have 56K circuits, 42 have T1 circuits and remaining 14 have 2MB or better circuits. Gilbert/Queen Creek Municipal and Paradise Valley Municipal have no connection to AJIN at all. 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 Department of Public Safety (DPS) has a 56K 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 States Metropolitan Network (MAGNET). Currently the AOC only uses a File Transfer Protocol (FTP) server to send information to MVD.

More information on AJIN, as well as other AOC-supported systems, is part of the Information Technology Strategic Plan on the court's web site at: <http://www.supreme.state.az.us/cot/>

3.2 GOALS AND PURPOSE OF THE CCB

Offender accountability through enforcement of court ordered sanctions and improved revenue are key goals of the CCB. Because the state government is currently suffering a severe budget deficit, and significant cuts are predicted in court funding at both the state and local levels, revenue generation is a priority that reaches beyond the Arizona Judiciary. Outsourcing is a proven strategy in both private and public industry, aimed at achieving cost savings and efficiencies by directing organizational staff to high value, main mission tasks, while contracting out for routine work that could be performed more efficiently by a contractor. The Arizona Supreme Court seeks to consolidate a select number of civil citation processes and account collection activities for civil, criminal and quasi-criminal case filings in the limited jurisdiction courts, and delinquent account collections for criminal cases in the general jurisdiction courts. The CCB will free staff to concentrate on core case processing activities instead of low impact work activities.

The CCB will result in a number of benefits to the Arizona courts and citizens:

- Court operations, in particular court order enforcement, will be made more consistent statewide, moving closer to standardized processes and procedures under this program.
- There will be an increase in revenue by improving collections of fines and penalties associated (primarily) with citation processing.
- Court staff's workload will be reduced, allowing staff to concentrate on core activities.
- There will be an increase in compliance with laws and court orders.
- Customer service will be improved system-wide. Processing of citations will be more

transparent for the citizen, who will have additional information on what is expected for compliance, and what sanctions will occur if they fail to take the appropriate action. Citizens will be given more alternatives for complying with a citation because there will be increased access to payment options (envelope for payment by mail, IVRS, and web-based payments).

3.3 VISION OF THE CCB

This vision of how a CCB would operate is offered as our best determination of an effective outsourcing, not as a conclusive dictum. In the next section, entitled Alternatives, bidders are encouraged to either validate this vision, or offer alternative processes that would better address the Goals and Purpose of the CCB identified in Section 3.2.

After award of a contract based upon a mutually agreeable workplan, the private sector CCB provider will assume the role of strategic partner with the Arizona AOC to provide ongoing advice and consultation to achieve greater court order compliance and revenue enhancement.

A full outsourcing model would involve more extensive services than those described in this vision and are not requested or contemplated in this Statement of Work. There are several reasons that a full outsourcing is not being pursued at this time:

- Complications associated with building data interfaces to exchange data between the CCB vendor and all of the trial courts;
- Unacceptable workflow disruptions in the affected courts; and
- Concerns expressed by the trial courts about compliance with statutory case processing time requirements.

The Arizona AOC retained a consulting firm, Justice Served™, to conduct a requirements analysis and assist in the development, implementation and operation of a statewide CCB for processing of citation-related casework and compliance/collection activities. This RFP and Statement of Work are the results of their study. The consultants met with several stakeholders in an effort to determine current operational details and to solicit opinions as to the most feasible means of implementing the project. This effort resulted in a consensus as to those tasks that are most suitable and cost effective for outsourcing.

The most significant result from the study is a redefinition of "compliance" efforts by the courts. Currently, a court customer receiving a citation from a law enforcement officer is presumably provided a return envelope and "bond card" describing penalty amounts due and other compliance terms. The court does not take enforcement actions until the customer fails to initially respond to a citation either by mail or in person, or until a defendant has failed to pay as agreed (see Section 3.1, Current Environment). The introduction of a CCB into case processing would initiate collection efforts at points in the life of the case that have proven to be

cost effective, based on the experience of collection protocols utilized in other jurisdictions.

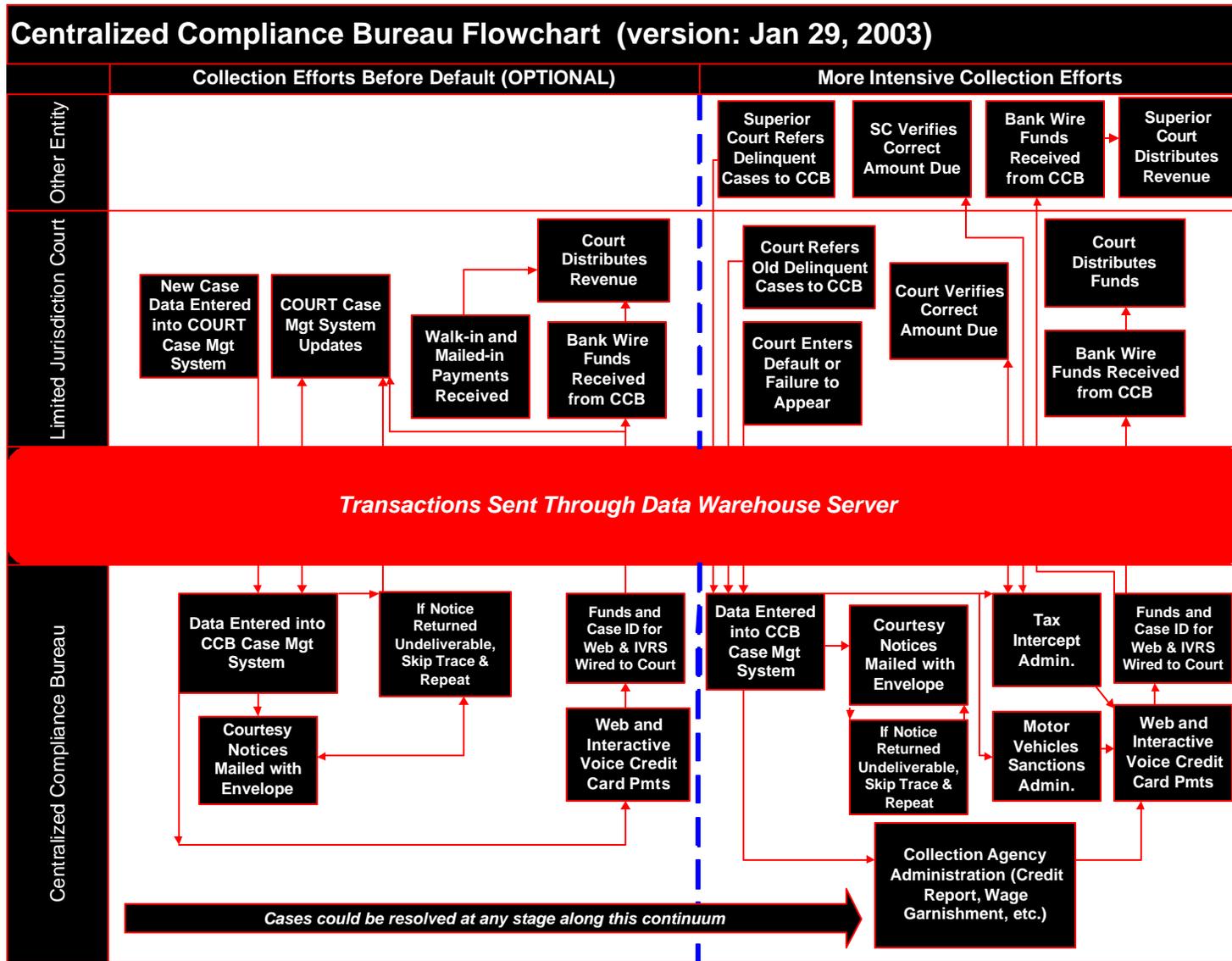
Processing on a typical case is concluded upon either full compliance with all sanctions imposed or when there is other resolution of the charges by the court, and can occur during any stage of processing. CCB processing would cease at the time of compliance with all financial sanctions.

If a case remains unresolved after initial collection efforts, the CCB's involvement would continue with more intensive collection activities. An array of prospective CCB activities are described in the table on the following page, and would be a standard service provided to the courts:

TABLE 2: Vision of the CCB

| Process | Description | Services |
|---|--|--|
| A. Collection Efforts | The CCB would generate standardized language notices setting forth the terms of compliance at different times in the life-cycle of a case. These notices would bear the originating court's seal and return address for payment, but the envelope would bear a PO Box for undeliverable mail. Notices returned undeliverable would be skip traced and a new notice generated to the refreshed address. For courts not generating their own notices on civil penalty default cases, the first notice would be an advisement of default; a second notice would be generated after a 30-day period has elapsed following the initial default. Optionally, a notice may be generated at an earlier stage. For cases referred to CCB for collections, the full array of compliance sanctions would be managed by the vendor, including TTEAP, TIP, wage garnishments, and credit reporting. Wage garnishment and credit reporting (to all three bureaus) would be performed with the agreement of the courts on a case by case basis. These services would be performed for both limited jurisdiction and superior courts. Courts that currently have collections programs may refer cases to the CCB, for supplemental collection services. | Performed by the CCB |
| B. Payments | The CCB would offer an Interactive Voice Response System (IVRS) and Web-based payment options to persons receiving citations (for courts not offering their own comparable services). CCB payment processing would be accessible via Web-based account payments and IVRS payments using a credit card. IVRS should include English, Spanish and TDD options with toll-free access. Initial payments for charges on a citation would be in full on a charge-by-charge basis as selected by the payor. For accounts referred for more intensive collection efforts, the courts should have the option of specifying on an account-by-account basis that payments can be made in installments. In-depth case inquiries and partial payment requests would be directed to the originating court. No credit card bank fees would be charged directly to the customer, and payments would be wired to the originating court bank account along with an electronic alert indicating the case number and amount collected. All other mailed or walk-in payments and revenue distribution would continue to be handled at the local court. Credit card usage fees must be included in the CCB cost bid and not reduced from base fine or penalty amounts. | Performed by the CCB |
| C. Back Inventory of Non-Compliance Cases | Participating limited jurisdiction and superior courts would transmit their back inventory of non-compliance cases to the CCB to pursue the various available compliance sanctions, including TTEAP and TIP. Wage garnishments and credit reporting may be done if effective and with the concurrence of the court on a case-by-case basis. Courts may designate their TIP accounts for more intensive collection efforts by the CCB. TTEAP processing for all courts will be handled by the CCB and the CCB must have the ability to consolidate data for all courts by Arizona driver license number to determine if the statutory minimum outstanding amount for traffic offenses has been reached (currently \$200). | TTEAP mandatory through CCB; backlog optional, at the choice of each trial court |

The schematic on the next page shows the workflow between the courts and the CCB under this Vision of the CCB.



In order to reduce the complexities of data exchange between the CCB and the originating courts, and in order to provide a monitoring mechanism for contract performance, this Vision of the CCB is structured for all electronic transactions to occur through the Arizona AOC data warehouse, which would act as a "transaction server." However, the AOC reserves the option of requiring the vendor to connect directly with larger high-volume courts if direct connection can be made more timely and affordably. There are several options to choose from in the operation of this transaction server, but options include:

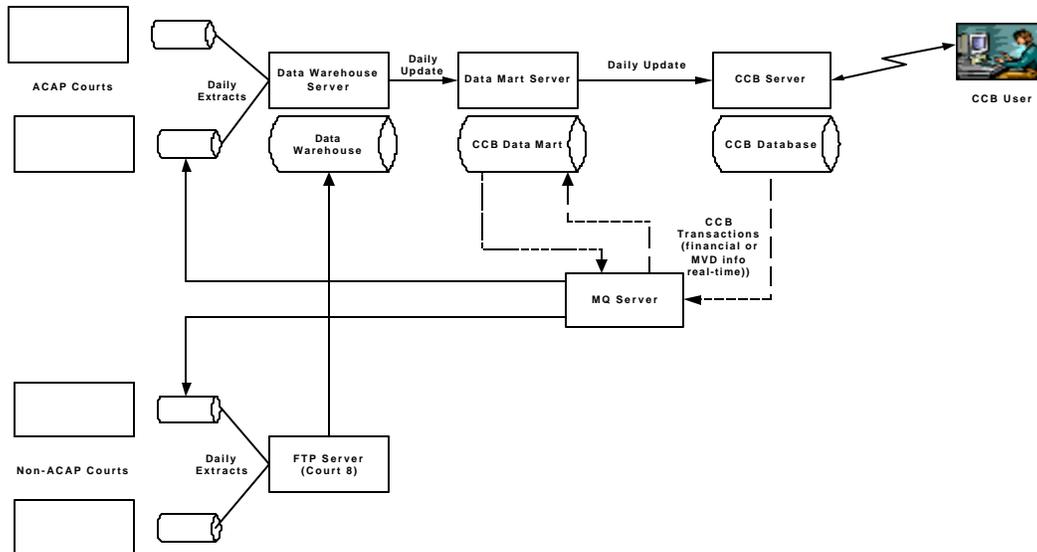
BATCH MODE - Nightly extracts and FTP will work effectively if the processes do not require real time or near real time transfer of data. Transactions (adds, update activity, default status and certified for collections) can be pulled from the AZTEC databases to a staging area on the Data Warehouse where they are batched and sent to the CCB. Non-AZTEC courts could FTP files to the FTP Server, where they could be extracted and added to AZTEC batch and sent to the CCB. The CCB could FTP noticing activity transactions on cases (for the courts to update the Register of Actions) back to the AOC and the processes will occur to distribute data to the appropriate AZTEC or non-AZTEC courts. Programming efforts will focus on: the stored procedures that move the data through the AOC to the CCB; measures to ensure successful transmission; AZTEC changes to accommodate the update information data from the CCB; and creating the auto default module to alert AZTEC users when a case is in default, in which case an alert is sent to the CCB to generate a default notice (and, if still in non-compliance, to pursue other means for collecting revenue).

REAL TIME – Some transactions need to be at or near real time. When a warrant is about to be served and the defendant has paid the fine, the court database must be updated so a warrant is not issued erroneously. If payment has been made on a case where MVD has a registration hold, the court database needs to be updated in real time so the hold can be released immediately. In these instances, FTP will need to be replaced with Websphere MQ Messaging. Non-AZTEC and AZTEC users would need the MQ Client installed on their servers and data would flow through to the CCB Data Mart, through MQ to the CCB. The CCB would need MQ Server on its end to complete the channel for communication. Stored procedures (daemon) would have to be developed to poll originating court databases for transactions to be sent to the CCB. Transaction Messages from CCB would be placed in a queue that would trigger procedures to pull those records from the queue and distribute them to the appropriate CMS databases. Programming efforts will need to be focused on the monitoring procedures to ensure quick delivery of transactions. The CCB would need to track up to 178 separate bank account numbers (one for each of the participating courts) for wire transfer. The complexity for both AZTEC and Non-AZTEC courts is in the programming of the various court case management systems to accept the credit card data from the CCB for posting into their respective financial modules and the reconciling process among the courts, banks and the CCB. Once all programming is ready to accommodate real time transactions, MQ will replace all FTP activities between CCB and AOC.

The following graphic describes this high level architecture:

Table 3

High-Level Candidate CCB Architecture



3.4 DELIVERABLES

Several deliverables are described in the Vision of the CCB, above. This is a summary of the deliverables that should be included as services in the bidder's **Cost Proposal** in **Section 5.4** of this RFP. In the next portion of this Statement of Work, bidders are invited to offer Alternative service deliveries based upon their expertise in the fields of compliance and collections. If a bidder offers Alternative service delivery strategies, these services should be clearly specified in the **Cost Proposal**:

- 3.4.1** Provide a website to process online payments and requests for information from the public concerning online payments.
- 3.4.2** Provide an Interactive Voice Response System to process telephonic payments and requests for information from the public concerning payments made via IVRS or the website. IVRS options should, at a minimum, include English, Spanish, TDD, and toll-free access.
- 3.4.3** Credit card usage fees must be included in the CCB operational costs, and therefore included in the cost proposal in the applicable line(s). The base fine or penalty for civil and criminal charges cannot be reduced to cover these usage fees.
- 3.4.4** Generation of civil penalty default notice, or notice of delinquency, customized with court seal and return address to originating court (outer envelope with PO box return address for undeliverable mail).

- 3.4.5** Generation of second civil penalty notice 30 days after default, customized with court seal and return address to originating court (outer envelope with PO box return address for undeliverable mail).
- 3.4.6** Skip trace of returned compliance notices.
- 3.4.7** Regeneration of compliance notices after successful skip trace, customized with court seal and return address to originating court (outer envelope with PO box return address for undeliverable mail).
- 3.4.8** Delivery of an array of collection sanctions for delinquent accounts, including:
 - 3.4.8a** Tax & Lottery Intercept Program with Dept of Revenue (DOR)
 - 3.4.8b** Credit agency reporting to all 3 credit bureaus
 - 3.4.8c** Vehicle registration holds through MVD
 - 3.4.8d** Wage garnishment (may need to domesticate out of state judgments)
 - 3.4.8e** Collection agency contracts (if applicable)
 - 3.4.8f** Other potential interfaces, such as the Internal Revenue Service
- 3.4.9** Reporting all of the above data and financial transactions back to the originating court upon completion of any action for the purpose of updating the court's case management system records. Reporting would occur through the AOC Data Warehouse "transaction server" or directly to the court if this solution is more timely and economically feasible.
- 3.4.10** OPTIONAL SERVICE: Provide middleware or programming solutions between the AOC data warehouse and each trial court in order to accelerate phased-in implementation of the CCB. This is an optional deliverable that may be included if it is determined to be cost effective and financially feasible.
- 3.4.11** OPTIONAL SERVICE: Generation of initial compliance notice, customized with court seal and return address to originating court (outer envelope with PO box return address for undeliverable mail). This is an optional deliverable that may be included if it is determined to be cost effective and financially feasible.

The AOC will designate an Acceptance Manager who will be responsible for ensuring that all deliverables meet the standards specified in the RFP, proposal, or the contract or any resulting design documents. The Acceptance Manager can only accept or reject a deliverable and has no authority to modify the definition of any deliverable, or to modify or waive any part of the RFP, proposal, or contract (see Section 3.8.5).

The AOC will designate a Contract Manager who will be responsible for authorizing payment, and negotiating any changes to the contract. The Contract Manager has no authority to accept any deliverable (see Section 3.8.5).

As part of the contract finalization process, the AOC will identify each deliverable and the criteria and method for acceptance - a test, a standard, or a design document. Once identified, the list of deliverables and their acceptance criteria will become part of the contract.

Bidders should provide costs, tiered for volume, for these services as part of a CCB, as it is described in the Vision of the CCB, and/or bidders should provide costs for alternative services proposed in Section 3.5 of this Statement of Work, Alternatives.

It is NOT intended that the CCB would perform any of the following services:

- Handle any judicial functions, including but not limited to the resolution of any invalid cite of a violation by law enforcement, and disposition of violations reserved by statute and rule for a judicial officer.
- Calendar any matter for appearance in court.
- Provide distribution of funds to individual accounts based on the statutory requirements for funds distribution. Each participating court's automation system will perform this function.
- Convert existing data and port it to a new system.

3.5 ALTERNATIVES

This section is an open invitation to bidders to provide suggestions for improvement in the CCB structure and processes as they are described in the Vision of the CCB. Every effort has been made in the drafting of this RFP to describe the problems and seek solutions, instead of describing inflexible solutions and seeking a cost estimate for these services. Moreover, the presumption is that the bidder is the subject matter expert with the requisite background and experience to identify flaws or missing elements in a successful model to improve court ordered sanction compliance. While the current vision provides for using the AOC's Data Warehouse as a "transaction server" between the CCB vendor and the courts, the vendor may recommend alternative paths to speed implementation, particularly in interfacing with large volume courts. The bidder should identify any material deficiencies in the proposed CCB structure, strategy and assumptions as described in this Statement of Work, and provide alternative remedies accordingly. Failure to raise objections at this stage will result in the inability of the bidder to raise objections in the form of "errors and omissions" after a contract is awarded.

Some questions that bidders should consider when deciding whether to offer alternatives include the following:

- Do I agree with the Vision of the CCB structure as it is described in this RFP?
- Do I have more cost effective data exchange solutions?
- Are there better methods or more cost effective processes to achieve the same goals and objectives?
- Are there fundamental flaws or missing elements in the proposed CCB structure, processes or strategy that would affect successful implementation and operation of a CCB?
- Do I know of best practice examples for a better CCB model?
- Does my experience and background lead me to different conclusions other than those expressed in this Statement of Work?

The **Cost Proposal** portion of the **Proposal Submittal Documents** section of this RFP (see **Section 5.4**) assumes that bidders will provide cost estimates for the services described in the Vision of the CCB.

3.6 IMPLEMENTATION ISSUES

A project of this scope may require phasing-in due to complexities associated with size, scale and the need to develop extensive data exchange protocols. However, the current state budget crisis requires that this project proceed as quickly as possible. This section is intended to provide sufficient background material to enable bidders to develop implementation schedules to bring the CCB to full operation as soon as possible, taking into consideration the constraints that may inhibit rapid implementation.

The evaluation of proposals will consider two phases of project work:

- A. Phase 1 - Design, development, test, acceptance and implementation
- B. Phase 2 - Operation

Bidders should clearly indicate methodology and management plans to address both of these phases of implementation.

While there are several major aspects of this project that will require a phased-in approach, bidders are encouraged to suggest alternative implementation strategies that would address these limitations, and accelerate start-up of the CCB. These limitations are described below:

3.6.1. CASE MANAGEMENT SYSTEMS – the Arizona courts use a variety of automated case management systems in the limited jurisdiction courts and general jurisdiction courts. The CCB would be required to exchange a significant amount of data with the limited jurisdiction courts due to the volume associated with citation processing. To a lesser extent, the CCB would also need to provide a data interface with the general jurisdiction courts for delinquent case processing. The data exchanges between the CCB and the trial courts would include updating each court database to indicate the types of actions and notices generated by the CCB, as well as providing refreshed address information where applicable. These exchanges would take place through the data warehouse or through direct links to courts that may be established. A breakdown of different data systems follows:

- a. **LIMITED JURISDICTION COURTS** - 131 of the 163 limited jurisdiction courts use a software called AZTEC that runs on a centralized AOC server in all except two of the participating courts (Scottsdale and Tucson City Courts), which use AZTEC on a local server. The remaining 32 limited jurisdiction courts use 9 different software packages to track and manage cases; these software packages run on local servers and current data warehouse connectivity is either non-existent or limited. Data from the 8 limited jurisdiction courts in Mohave County using AZTEC is not presently included in the data warehouse.
- b. **GENERAL JURISDICTION COURTS** - Arizona has one Superior court with branches in each of the 15 counties. Of the 15 branches, 13 use AZTEC as their case management system, while Pima and Maricopa counties use different county systems. Of the 13 using AZTEC, the data warehouse carries data for all except Mohave County. Data warehouse connectivity is limited for Pinal and Maricopa County.

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.

3.6.2. DATA WAREHOUSE / TRANSACTION SERVER - The Arizona AOC utilizes a data warehouse for several internal purposes, including on-line public access to limited court case data and for a statewide database of protective orders. The AOC has other internal systems that are used for interface with the statewide defensive driver schools, and reporting of case information to the Department of Revenue (DOR) for the tax and lottery intercept program (TIP). The Vision of the CCB described in this Statement of Work envisions the use of the data warehouse as a transaction server through which all data exchange transactions would pass between the CCB and each originating court. Doing so would accomplish two major goals: first, eliminate the necessity to create dozens of separate data exchange protocols between the CCB and each trial court; and second, provide a contract performance management tool for the Arizona AOC to monitor the amounts and types of transactions. However, this vision does not preclude alternative paths that may be considered in the interest of time.

Currently, the data warehouse is structured as a snapshot warehouse rather than a history warehouse; it connects to various (but not all) source databases every night, uploads changes, and tracks deleted files. In order to address concerns relating to security, back-up and reliability, current plans would partition the data warehouse drive to provide a separate transaction server for the CCB using current data exchange protocols where they exist.

While incremental improvements have been made to the data warehouse, and although several additional improvements are in the planning stages, the data warehouse would need substantial programming, mapping and/or middleware solution costs that are NOT part of this RFP. Bidders are encouraged to offer recommendations that would reduce delay in implementation, and bid separately for these services in the cost proposal in 5.4.

3.6.3. DIFFERING BAIL AND PENALTY SCHEDULES – While there are some similarities, each of the 163 limited jurisdiction courts impose differing bail, penalties, add-on fees and other calculations when determining the amount that is owed at various stages of case processing. This will require the development of separate calculation tables for each of the limited jurisdiction courts participating in the CCB project in order to implement Web-based and IVRS payments for persons receiving citations.

3.6.4. VOLUME OF ACCOUNTS – Table 1 in Section 3.1 of this Statement of Work provides an overview of workload statistics to give bidders a reference point as to the volume of accounts that could be included in a fully operational CCB project. However, several factors will affect the volume of accounts that will actually be included in the CCB, including phased-in implementation, connectivity problems with various court case management systems, and the feasibility of some of the CCB activities described in the Vision of the CCB. Therefore, when submitting a cost proposal in Section 5, bidders

should assume that the volume of accounts will be tiered as specified in the Cost Proposal forms presented in Section 5.4.

3.6.5. TAX INTERCEPT ACCOUNTS – The Table 1 in Section 3.1 of this Statement of Work provides an overview of workload statistics relating to the number of accounts currently processed in the TIPS program. During the initial phases of the CCB implementation, the AOC, with the concurrence of the courts, may refer 50,000 –175,000 cases as soon as possible to the CCB for further collection activity.

3.7 PERFORMANCE MANAGEMENT

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 may be difficult during initial implementation of this project to develop specific SLAs for various operational aspects of the CCB without historical data to guide these decisions. At a minimum, the performance 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 CCB provider to refine the benchmark performance measurements and impose a revised SLA. Bidders should indicate whether they are able or unable to meet these minimum performance guidelines:

3.7.1 NOTICE GENERATION

- Initial notices generated within one business day of data entry or data exchange

3.7.2 SKIP TRACE

- Returned undeliverable mail skip traced to determine current address (where one is identifiable) within two business days
- Regeneration of notice within one business day of address refresh

3.7.3 FINANCIAL

- Payments on Website or IVRS posted real time with the local court case management system
- Electronic deposit of monies within one business day
- Daily reconciliation
- Ability of court to recall accounts on a case-by-case basis from any or all individual collection efforts

3.7.4 SYSTEM RELIABILITY

- Terminal response time of three seconds or less for 95% on all transactions
- System availability rate shall be maintained at 99%; this does not include the downtime necessary for scheduled maintenance, upgrades and disaster recovery. The contractor shall propose objective methods of measurement to enable the AOC to monitor the availability level. The contractor shall be responsible to measure and report the availability level to the AOC on a monthly basis.

3.7.5 IVRS

- The contractor shall be responsible to measure and report the availability level, use rates, and call drop rates to the AOC on a monthly basis.

3.7.6 OTHER

- Management information reports:
 - Regular within two business days of closing period
 - Ad hoc within three business days of request
- Errors corrected within two business days
- Recovery from disaster / catastrophic even, including data reentry, within three business days

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

The AOC is also amenable to considering proposals for cost incentives to the CCB contractor for rapid implementation, and demonstrated improvement in actual court order compliance and revenue collected as a result of this project.

3.8 OTHER CCB REQUIREMENTS AND ISSUES

There are several other requirements and issues pertaining to CCB operations that did not conveniently fit into one of the previous sections of this Statement of Work. They are provided here:

- 3.8.1 OPERATIONS WITHIN THE STATE OF ARIZONA** – It is highly desirable that CCB operations and staff be located within the state of Arizona to the fullest extent possible. 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 CCB is intended to be as localized as possible.
- 3.8.2 OPERATIONS FOR ARIZONA COURTS** – 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.
- 3.8.3 PRIVACY POLICIES AND STATEMENTS – CONFIDENTIALITY OF INFORMATION** – The CCB 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 CCB provider shall develop privacy policies and privacy statements affecting CCB 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 CCB 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.

- 3.8.4 ACCOUNTING / COLLECTION STANDARDS** – The CCB 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 so-called "Yellow Book" of Government Auditing Standards (see <http://www.gao.gov/govaud/ybhtml/>), 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. The MAS may be viewed at: <http://www.supreme.state.az.us/courtserv/CRTASSIST/cra.htm>. The CCB provider is also expected to comply with the Fair Debt Collection Practices Act, which may be viewed at: <http://www.ftc.gov/os/statutes/fdcpajump.htm>.
- 3.8.5 DESIGNATED REPRESENTATIVES** – To facilitate efficient operations, both the Arizona AOC and the CCB provider will designate primary contact representatives at a minimum of two levels: operational and administrative. These representatives will be the first contact to resolve inconsistencies, problems or other issues related to CCB operations. The operational-level AOC contact, called the Acceptance Manager, will have the authority to accept or reject work produced by the CCB, but will not have authority to change any aspect of the contract awarded pursuant to this solicitation.
The administrative-level AOC Contact, called the Contract Manager, will be responsible for authorizing payment, and negotiating any changes to the contract, but does not have the authority to finalize a contract amendment.
- 3.8.6 PERFORMANCE BOND** – In recognition of the magnitude of this project and the potential risk associated with failure, the successful CCB 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.
- 3.8.7 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 CCB vendor to take corrective measures that will improve the odds of successful implementation and operation of the CCB.
- 3.8.8 AMNESTY** – The Arizona courts may decide to conduct an amnesty for delinquent cases in an effort to clear back inventory, accelerate revenue collection and publicize the CCB project as a new enforcement program.
- 3.8.9 INSPECTION OF CCB FACILITIES** – Court representatives or other appropriate agents of the state shall be entitled to review and inspect the provider's facilities, its program operation, and those records which pertain to this project. Any reports prepared pursuant to this section shall be made available to the provider upon request.

3.9 GLOSSARY

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

| <i>Term</i> | <i>Definition</i> |
|---------------------|--|
| AOC | The Administrative Office of the Courts in Arizona. |
| AZTEC | The case management software used in several Arizona trial courts for case tracking and processing. |
| CCB | Centralized Compliance Bureau, the enterprise in which a vendor would provide the services described in this RFP. |
| FTP | File transfer protocol |
| IVRS | Interactive Voice Response System, for payment of fines and penalties by credit card. |
| MQ | A messaging product that enables application integration by helping business applications to exchange information across different platforms by sending and receiving data as messages. |
| MVD | The Arizona Motor Vehicle Division |
| Register of Actions | Docket or electronic status file; list of actions |
| SLA | Service Level Agreement(s) – established benchmarks of performance for various contract deliverables. |
| TIP | Tax Intercept Program - the AOC's automated system for the Debt Setoff Program, a partnership between the courts and the Arizona Department of Revenue (DOR) to withhold state income tax refunds and lottery winnings to satisfy financial obligations to Arizona Courts, probation departments, and participating County Attorney offices. |
| TTEAP | Traffic Ticket Enforcement Assistance Program, Arizona Revised Statutes §§28-1631, a planned partnership between the courts and the Arizona Motor Vehicles Division (MVD) to provide enhanced sanctions for failing to comply with payment of traffic sanctions by withholding vehicle registration. |

SECTION 4 EVALUATION PROCESS AND WEIGHTED FACTORS

4.1. Evaluation Process

The evaluation process will follow the steps listed below:

1. All proposals will be reviewed for compliance with the submission of required items as listed on the Proposal Submittal Checklist (see Section 5). Proposals deemed non-responsive will be eliminated from further consideration.
2. The AOC may contact the bidder for clarification of the response.
3. An Evaluation Committee will be established and members may use other sources of information to perform the evaluation as specified in Section 1.5.
4. Responsive proposals will be evaluated on the factors specified below. These factors have each been assigned a point value. The responsible bidders with the highest scores will be selected as finalist bidders based upon the proposals submitted. Finalist bidders who are asked and thereafter choose to submit revised proposals for the purpose of obtaining best and final offers may have their proposals reevaluated and points adjusted accordingly. Bidders participating in oral presentations or discussions, if requested to do so, may have their points adjusted according to any substantive information derived from this activity (note that bidders participating in oral presentations or discussions do so at their own expense, pursuant to Section 2.12). The responsible bidder whose proposal is most advantageous to the Arizona courts, taking into consideration the evaluation factors below, will be recommended for contract award. Please note, however, that a serious deficiency in the response to any one factor may be grounds for rejection regardless of overall score.
5. The evaluation of proposals will consider two phases of project work:
 - A. Phase 1 - Design, development, test, acceptance and implementation
 - B. Phase 2 - Operation
 Bidders should clearly indicate methodology and management plans to address both of these phases of implementation.

4.2. Evaluation Factors

| Evaluation Factor | Total Weight |
|---|--------------|
| 1. Methodology Proposed for the Project | 15 |
| 2. Management Plan for the Project | 10 |
| 3. Experience and Qualifications | 25 |
| 4. Value Added Skills | 15 |
| 5. Cost | 20 |
| 6. Implementation Timetable | 15 |

EVALUATION FACTOR #1 - Methodology Proposed for the Project (15 Percent)

Proposals will be evaluated against the questions set out below:

- [a] Does the methodology demonstrate a thorough understanding of the purpose and scope of the project?
- [b] Does the methodology depict an approach to fulfilling the requirements of the RFP that are logical and proven to succeed on projects of this size and complexity?
- [c] Does the methodology match and achieve the objectives set out in the RFP?
- [d] Does the methodology demonstrate an understanding of the deliverables the AOC expects it to provide?
- [e] Does the methodology align with the time schedule proposed by the bidder?

EVALUATION FACTOR #2 - Management Plan for the Project (10 Percent)

Proposals will be evaluated against the questions set out below:

- [a] How well does the management plan support all of the project requirements and logically lead to the deliverables required in the RFP?
- [b] How well is accountability completely and clearly defined?
- [c] Is the organization of the project team clear?
- [d] How well does the management plan illustrate the lines of authority and communication?
- [e] To what extent does the bidder already have the hardware, software, equipment, and licenses necessary to perform the contract?
- [f] Has the bidder gone beyond the minimum tasks necessary to meet the objectives of the RFP?
- [g] Is the proposal practical and feasible?
- [h] How well have any potential problems been identified?
- [i] Is the submitted proposal responsive to all material requirements in the RFP?

EVALUATION FACTOR #3 - Experience and Qualifications (25 Percent)

Proposals will be evaluated against the questions set out below:

Questions regarding the personnel

- [a] Do the individuals assigned to the project have comparable experience in the development, implementation and operations on similar projects?
- [b] Are resumes complete and do they demonstrate backgrounds that would be desirable for individuals engaged in the work the project requires?
- [c] How extensive is the applicable experience of the personnel designated to work on the project?

Questions regarding the firm:

- [d] How well has the firm demonstrated experience in completing similar projects on time and within budget?
- [e] How successful is the general history of the firm regarding timely and successful completion of projects?
- [f] Has the firm demonstrated the ability to assume the role of strategic partner with the AOC after award of contract, to provide ongoing advice and consultation as to effective revenue enhancement strategies?
- [g] If a subcontractor will perform work on the contract, does it have the experience necessary to perform the work?
- [h] Has the firm sufficient financial stability to indicate that they can fulfill the contract requirements should the firm be chosen as the successful bidder?

EVALUATION FACTOR #4 – Value Added Skills (15 Percent)

Proposals will be evaluated against the questions set out below:

- [a] To what extent will the proposed CCB be operated within the state of Arizona?
- [b] Has the bidder demonstrated innovation and/or insight into the dynamics of court order enforcement activities, specifically or collections activities generally?
- [c] Has the bidder recommended or proposed alternative and/or additional methods of enhancing compliance with financial court orders that have proved successful in other jurisdictions?
- [d] How well has the bidder identified pertinent issues and potential problems related to the project?

EVALUATION FACTOR #5 - Cost (20 Percent)

Converting Cost to Points:

The evaluation of each bidder's cost proposal will be conducted using the following formula:

$$\frac{\text{Lowest responsive offer (divided by)}}{\text{This bidder's offer}}$$

And this value will then be weighted at 20%

Averaging techniques, application to scenarios, and other processes may be applied in order to make pricing comparable among proposals.

EVALUATION FACTOR #6 – Implementation Timetable (15 points)

Points for the Implementation Timetable will be awarded based upon an evaluation of the feasibility, depth of understanding, and efficiency of the bidder's timeline and strategy to expedite the implementation of the CCB as soon as possible. Has the bidder proposed an acceptable time schedule and can the bidder meet it?

**SECTION 5
PROPOSAL SUBMITTAL DOCUMENTS**

Proposal Submittal Checklist

The following materials must be submitted **in the order shown** as part of a vendor response:

- 5.1 Proposal Submittal Letter (see page 33)
- 5.2 Three references (see page 34). Additional references are encouraged.
- 5.3 Vendor Profile (see page 35)
- 5.4 Cost Proposal (see pages 36-38) Submit in a separately sealed envelope with the original and the electronic copy only.
- 5.5 Items listed in Section 2.7 (see page 5)
 - Contract Information
 - Compliance Agreement
 - Methodology Used for the Project
 - Management Plan for the Project
 - Experience and Qualifications
 - Value Added Expertise
 - Implementation Timetable
 - Contract Issues

PROPOSAL SUBMITTAL LETTER
(Use as page 1 of proposal)

Don Bentley, Procurement Officer
Arizona Supreme Court
Administrative Office of the Courts
1501 W. Washington, Suite 221
Phoenix, Arizona 85007-3231

Dear Mr. Bentley:

In response to your Request for Proposal (RFP) 03-02, please accept the following.

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. 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 partnerships(s) with other vendors.

COST PROPOSAL

Cost proposals are based upon either a bidder’s agreement with the Vision of the CCB as specified in Section 3.3 of this RFP, or an Alternative proposed service delivery as proposed in Section 3.5 of this RFP. Bidders should refer to the Deliverables section 3.4 of this RFP to ensure that cost proposals include all mandatory services.

COST PROPOSAL ACCORDING TO AOC VISION OF THE CCB (Section 3.3)

All of the mandatory services described in the Deliverables section of this RFP are included in this cost proposal (see Section 3.4) YES _____ NO _____

Cost all of the following services described for new accounts in the Deliverables Section 3.4 based on the volume breakpoints shown.

| | Annual Volume (In Thousands) | | | | |
|---|------------------------------|---------|---------|-----------|--------|
| | Tier 1 | Tier 2 | Tier 3 | Tier 4 | Tier 5 |
| | <250 | 150-500 | 500-750 | 750-1,000 | >1,000 |
| 1. Three Notices and Skip Tracing Returns | _____ | _____ | _____ | _____ | _____ |
| 2. Initial Notice and Skip Trace Return (Optional) Section 3.4.11 | _____ | _____ | _____ | _____ | _____ |
| 3. IVRS/Web Payment Transactions | _____ | _____ | _____ | _____ | _____ |
| 4. TTEAP (MVD) and TIP Transactions | _____ | _____ | _____ | _____ | _____ |
| 5. Credit Agency Reports | _____ | _____ | _____ | _____ | _____ |

| | Tier 1 | Tier 2 | Tier 3 | Tier 4 | Tier 5 |
|---------------------------|--------|--------|--------|--------|--------|
| | <1-5 | 5-10 | 10-15 | 15-20 | >20 |
| 6. Wage Garnishment _____ | _____ | _____ | _____ | _____ | _____ |

7. Back Inventory Collections - Flat fee per account collected \$ _____

* The flat fee per account would be added to the total amount due the court for an account and paid to the vendor on accounts collected. There are currently from 50,000-175,000 claims in the TIP database that could be provided to the CCB vendor for additional collection activities. The claims may range from 3 months – 10 years old, contain name and Social Security Number,

OPTIONAL Middleware Deliverable Cost

Total Cost for middleware solution (Section 3.4.10) \$ _____

Describe the middleware solution you propose:

COST PROPOSAL FOR ALTERNATIVE VISION OF THE CCB (Section 3.5)

This section is for an alternative cost proposal for services which may include some or all of the services above, in addition to other vendor defined services.

Describe the services you propose:

Cost all of the alternative processes or services, as explained in Section 3.4, on a per citation/case/transaction/account cost based on the volume breakpoints shown.

| | | Annual Volume (In Thousands) | | | | |
|----|-------|------------------------------|---------|---------|-----------|--------|
| | | Tier 1 | Tier 2 | Tier 3 | Tier 4 | Tier 5 |
| | | <250 | 150-500 | 500-750 | 750-1,000 | >1,000 |
| 1. | _____ | _____ | _____ | _____ | _____ | _____ |
| 2. | _____ | _____ | _____ | _____ | _____ | _____ |
| 3. | _____ | _____ | _____ | _____ | _____ | _____ |
| 4. | _____ | _____ | _____ | _____ | _____ | _____ |
| 5. | _____ | _____ | _____ | _____ | _____ | _____ |
| 6. | _____ | _____ | _____ | _____ | _____ | _____ |
| 7. | _____ | _____ | _____ | _____ | _____ | _____ |
| 8. | _____ | _____ | _____ | _____ | _____ | _____ |

PLEASE NOTE THAT COST PROPOSALS SHOULD ASSUME TIERED VOLUMES TO THE EXTENT POSSIBLE. BIDDERS MAY ADJUST TIER RANGES AS NECESSARY TO REFLECT REASONABLE EXPECTED VOLUME LEVELS.

OTHER NON-TIERED COSTS, WITH EXPLANATION:

SECTION 6

MANDATORY TERMS TO BE INCORPORATED IN ANY STATE CONTRACT

Arizona Supreme Court
Administrative Office of the Courts

GENERAL CONDITIONS ADDENDUM

Contractor: _____

Contract: _____ *[service type and performance dates]*

This addendum supplements and modifies the terms and conditions of the vendor contract described above between the Arizona Supreme Court, Administrative Office of the Courts, and Contractor. In the event of any conflict between the terms of the vendor contract and these provisions, this addendum shall govern. "Court" means the Arizona Supreme Court, Administrative Office of the Courts, and any Arizona court purchasing services under the contract. "State" means the State of Arizona and its departments, agencies, boards and commissions. "Contract" or "Agreement" means the contract described above, including all attachments and exhibits.

1. **Prices.** The prices quoted in Contractor's proposal are fixed for the term of the contract.
2. **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 beyond the current fiscal year 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.
3. **Confidentiality.** The parties acknowledge that this Contract and supporting documents are public records subject to the requirements of Supreme Court Rule 123. Any provision requiring non-disclosure is limited to the extent necessary to comply with that rule. In the event a public records request is received for information which Contractor has designated as confidential or proprietary, the Court will notify Contractor as soon as possible.
4. **Contractor's Records.** To the extent required by ARS ' 35-214, Contractor shall retain all records related to this Contract for five years after the completion date. Contractor shall make the records available at all reasonable times for inspection and audit by the Court or its auditor.
5. **Insurance.** Without limiting any liabilities or any other obligation of the Contractor, the Contractor shall purchase and maintain, in a company or companies lawfully authorized to do business in the State, and rated at least AA VII@ in the current A.M. Best's, the minimum insurance coverage below:

- a. Commercial General Liability, with minimum limits of \$1,000,000 per occurrence and an unimpaired products and completed operations aggregate limit and general aggregate minimum limit of \$2,000,000. Coverage shall be at least as broad as the Insurance Services Office, Inc. Form CG25031185, issued on an occurrence basis and endorsed to add the State and Court as Additional Insureds with reference to this contract. The policy shall include coverage for:

- Bodily Injury
- Broad Form Property Damage (including completed operations)
- Personal Injury

- Blanket Contractual Liability
- Products and Completed Operations, and this coverage shall extend for one year past acceptance, cancellation or termination of the services or work defined in this contract
- Fire Legal Liability

b. Business Automobile Liability, with minimum limits of \$1,000,000 per occurrence combined single limit, with Insurance Service Office Inc. declarations to include Symbol One (Any Auto) applicable to claims arising from bodily injury, death or property damage arising out of the ownership, maintenance or use of any auto. The policy shall be endorsed to add the State and Court as Additional Insureds with reference to this contract.

c. Workers Compensation and Employers Liability insurance as required by the State Workers Compensation statutes, as follows:

| | |
|------------------------------------|----------------------------------|
| Workers Compensation (Coverage A): | Statutory Arizona benefits |
| Employers Liability (Coverage B): | \$500,000 each accident |
| | \$500,000 each employee/disease |
| | \$1,000,000 policy limit/disease |

Policy shall include endorsement for All State coverage for the state of hire.

d. Professional Liability Insurance with minimum limits of \$1,000,000 Each Claim (or Each Wrongful Act) with a Retroactive Liability Date (if applicable to Claims-Made coverage) the same as the effective date of this contract. The policy shall cover professional misconduct or lack of ordinary skill for those positions providing services in the Description of Work of this contract and, if a specified professional liability policy is determined to be applicable by the Court, shall include the following type(s) of Professional Liability policies:

- Directors and Officers
- Errors and Omissions
- Medical Malpractice
- Druggists Professional
- Architects/Engineers Professional
- Lawyers Professional
- Teachers Professional
- Accountants Professional
- Social Workers Professional

The State and Court shall be named as Additional Insureds as their interests may appear. The policy shall contain an Extended Claim Reporting Provision of not less than one year following termination of the policy.

e. The Court reserves the right to request and receive certified copies of all policies and endorsements at any time during the term of the contract. Upon such request, contractor shall deliver the requested information within 10 calendar days.

f. Certificates of Insurance acceptable to the Court shall be issued and delivered prior to the commencement of the work defined in this contract, and shall identify this contract and include certified copies of endorsements naming the State and Court as Additional Insureds for liability coverages. The certificates, insurance policies and endorsements required by this paragraph shall contain a provision that coverages afforded will not be canceled until at least 50 days prior written notice has been given to the Court. All coverages, conditions, limits and endorsements shall remain in full force and effect as required in this contract.

g. Failure on the part of the Contractor to meet these requirements shall constitute a material breach of contract, upon which the Court may immediately terminate this agreement or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by the Court or the State shall be repaid by the Contractor upon demand, or the Court may offset the cost for the premiums against any monies due to the Contractor. Costs for coverages broader than those required or for limits in excess of those required shall not be charged to the Court. Contractor and its insurer(s) providing the required coverages shall waive their rights of recovery against the Court, State, and their Departments, Employees and Officers, Agencies, Boards and Commissions.

6. **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.

7. **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.

8. **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.

9. **Non-Discrimination.** The parties agree to comply with all applicable court, state and federal laws, rules, regulations and executive orders governing nondiscrimination, including the Americans with Disabilities Act, equal employment opportunity, immigration, and affirmative action. Contractor shall include a clause to this effect in all subcontracts related to this Contract.

10. **Applicable Law.** The laws and regulations of the State of Arizona shall govern the rights of the parties, the performance of the Contract and any disputes thereunder. Any action relating to the Contract shall be brought in an Arizona court.

11. **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.

12. **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 Court or the State.

13. **Payment.** Contractor shall submit a detailed invoice for services rendered at the conclusion of the work or at such other time as may be specified in the Contract. 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 statement or invoice.

14. **Y2K Compliance.** Contractor represents and warrants that any equipment, software or services provided pursuant to this Contract are millennium compliant. Millennium compliant means that the equipment, software or system a) allows for the input of all dates in a four-digit format; b) provides date output in a four-digit format; c) accommodates same-century and multi-century date-related formulas and calculations (including leap-year calculations); d) functions accurately and without interruption before, during and after January 1, 2000, and e) responds to two-digit date input in a way that resolves any ambiguity as to the century in a disclosed, defined and predetermined manner, as provided in the system specifications.

15. **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.

16. **Amendments and Waivers.** Amendments to the 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 the Contract shall be waived or modified without a written amendment to the Contract.