

Project Title: Court Ordered Debt Task Force Review

RFP Number: FIN051711CK

Date: May 17, 2011

ATTACHMENT 2 CONTRACT TERMS

EXHIBIT A - STANDARD PROVISIONS

1. INDEMNIFICATION

The Contractor shall indemnify, defend (with counsel satisfactory to the Administrative Office of the Courts (AOC), and save harmless the AOC and its officers, agents, and employees from any and all claims and losses accruing or resulting to any and all other contractors, Subcontractors, suppliers, and laborers, and any other person, firm, or corporation furnishing or supplying Work, Materials, Data, or services in connection with the performance of this Agreement, and from any and all claims and losses accruing or resulting to any person, firm, or corporation who may be injured or damaged by the Contractor or its agents or employees in the performance of this Agreement.

2. RELATIONSHIP OF PARTIES

The Contractor and the agents and employees of the Contractor, in the performance of this Agreement, shall act in an independent capacity and not as officers, employees, or agents of the AOC.

3. TERMINATION FOR CAUSE

A. Pursuant to this provision, the AOC may terminate this Agreement in whole or in part under any one of the following circumstances, by issuing a written Notice of Termination for default to the Contractor:

- i. If the Contractor (a) fails to perform the services within the time specified herein or any extension thereof, (b) fails to perform any requirements of this Agreement, or (c) so fails to make progress as to endanger performance of this Agreement in accordance with its terms, and, after receipt of a written Notice from the AOC specifying failure due to any of the preceding three (3) circumstances, the Contractor does not cure such failure within a period of five (5) business days or a longer period, if authorized in the Notice of failure; or,
- ii. If the Contractor should cease conducting business in the normal course, become insolvent or bankrupt, make a general assignment for the benefit of creditors, admit in writing its inability to pay its debts as they mature, suffer or permit the appointment of the receiver for its business or assets, merge with or be purchased by another entity, or avail itself of or become subject for a period of thirty (30) Days to any proceeding under any statute of any AOC authority relating to insolvency or protection from the rights of creditors.

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- B. In the event the AOC terminates this Agreement in whole or in part, due to the Contractor's failure to perform, the AOC may procure, upon such terms and in such manner as it may deem appropriate, supplies or services similar to those so terminated, and the Contractor shall be liable to the AOC for any excess costs for such similar supplies or services, subject to the limitations contained elsewhere herein; further, the Contractor shall continue the performance of this Agreement to the extent not terminated under this provision.
- C. The Contractor shall not be liable for any excess costs if the failure to perform the Agreement arises out of acts of Force Majeure; but in every case, the failure to perform must be beyond the control and without the fault or negligence of the Contractor.
- D. If, after Notice of termination for default of this Agreement, it is determined for any reason that the Contractor was not in default under this provision, or that the default was excusable under this provision, the obligations of the AOC shall be to pay only for the services rendered at the rates set forth in the Agreement.
- E. The rights and remedies of either party provided in this provision shall not be exclusive and are in addition to any other rights and remedies provided by law or under this Agreement.

4. NO ASSIGNMENT

Neither the AOC nor Contractor shall assign this Agreement, either in whole or in part, without the prior written consent of the other party in the form of a written amendment signed by the AOC and Contractor. Such consent shall not be unreasonably withheld. However, the parties agree that in the event the AOC is required by law, statute, or regulation to assign this Agreement to another government entity for administrative or other purposes, Contractor's consent is not required. This Agreement shall be binding upon and inure to the benefit of successors and assigns of the parties.

5. TIME OF ESSENCE

Time is of the essence in Contractor's performance of this Agreement.

6. VALIDITY OF ALTERATIONS

Alteration or variation of the terms of this Agreement shall not be valid unless made in writing and signed by the parties, and an oral understanding or agreement that is not incorporated shall not be binding on any of the parties.

7. CONSIDERATION

The consideration to be paid to the Contractor under this Agreement shall be compensation for all the Contractor's expenses incurred in the performance of this Agreement, including travel and per diem, unless otherwise expressly provided.

END OF EXHIBIT A

ATTACHMENT 2 CONTRACT TERMS

EXHIBIT B - SPECIAL PROVISIONS

1. DEFINITIONS

Terms defined below and elsewhere throughout the Contract Documents shall apply to the Agreement as defined.

- A. “**Acceptance**” refers to the written acceptance issued to the Contractor by the AOC after the Contractor has completed a Deliverable, Submittal or other Contract requirement, in compliance with the Contract Documents, including without limitation, Exhibit D, Work to be Performed, and Exhibit F, Acceptance of the Work and Sign-off Form.
- B. “**Amendment**” refers to a written document issued by the AOC and signed by the Contractor, which alters the Contract Documents and identifies the following: (i) a change in the Work; (ii) a change in Contract Amount; (iii) a change in time allotted for performance; and/or (iv) an adjustment to the Agreement terms.
- C. “**Confidential Information**” refers to trade secrets, financial, statistical, personnel, technical, and other Data and information relating to the AOC’s business or the business of its constituents. Confidential Information does not include: (i) information that is already known by the receiving party, free of obligation of confidentiality to the disclosing party; (ii) information that becomes generally available to the public, other than as a result of disclosure by the receiving party in breach of this Agreement; (iii) information that is independently developed by the receiving party without reference to the Confidential Information; and (iv) information that the receiving party rightfully obtains from a Third Party free of the obligation of confidentiality to the disclosing party.
- D. The “**Contract**” or “**Contract Documents**” constitute the entire integrated agreement between the AOC and the Contractor, as attached to and incorporated by a fully executed Standard Agreement Coversheet. The terms “**Contract**” or “**Contract Documents**” may be used interchangeably with the term “**Agreement**.”
- E. “**Contract Amount**” refers to the total amount encumbered under this Agreement for any payment by the AOC to the Contractor for performance of the Work, in accordance with the Contract Documents.
- F. The “**Contractor**” means the individual, association, partnership, firm, company, consultant, corporation, affiliates, or combination thereof, including joint ventures, contracting with the AOC to do the Contract Work. The Contractor is one of the parties to this Agreement.

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- G. “**Data**” refers to all types of raw data, articles, papers, charts, records, reports, studies, research, memoranda, computation sheets, questionnaires, surveys, and other documentation.
- H. “**Day**” refers to a calendar day, unless otherwise specified.
- I. “**Deliverable(s)**” or “**Submittal(s)**” refers to one or more items, if specified in the Contract Documents, that the Contractor shall complete and deliver or submit to the AOC for acceptance.
- J. “**Force Majeure**” refers to a delay which impacts the timely performance of Work which neither the Contractor nor the AOC are liable for because such delay or failure to perform was unforeseeable and beyond the control of the party. Acts of Force Majeure include, but are not limited to:
- i. Acts of God or the public enemy;
 - ii. Acts or omissions of any government entity;
 - iii. Fire or other casualty for which a party is not responsible;
 - iv. Quarantine or epidemic;
 - v. Strike or defensive lockout; and,
 - vi. Unusually severe weather conditions.
- K. “**Key Personnel**” refers to the Contractor’s key personnel or Subcontractor named in *Exhibit E, Contractor’s Key Personnel*, whom the AOC has identified and approved to perform the Work of the Contract. Qualifications of Key Personnel are represented by the resumes set forth in *Exhibit E, Contractor’s Key Personnel*. Responsibilities of Key Personnel are set forth in *Exhibit D, Work to be Performed*.
- L. “**Material**” refers to all types of tangible personal property, including but not limited to goods, supplies, equipment, commodities, and information and telecommunication technology.
- M. “**Notice**” refers to a written document initiated by the authorized representative of either party to this Agreement and given by:
- i. Depositing in the U. S. Mail (or approved commercial express carrier) prepaid to the address of the appropriate authorized representative of the other party, which shall be effective upon date of receipt; or
 - ii. Hand-delivered to the other party’s authorized representative, which shall be effective on the date of service.
- N. “**Project**” refers to all activity relative to this Agreement including activity of the Contractor, its Subcontractors, the AOC and the AOC’s representatives.

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- O. The “**AOC**” refers to the Judicial Council of California, Administrative Office of the Courts. The AOC is one of the parties to this Agreement.
- P. “**Standard Agreement Coversheet**” refers to the form used by the AOC to enter into agreements with other parties. Several originally signed, fully executed versions of the Standard Agreement Coversheet, together with the integrated Contract Documents, shall each represent the Agreement as an individual “**Contract Counterpart**.”
- Q. “**Standard Amendment Coversheet**” refers to the form used by the State to amend agreements with other parties.
- R. “**Stop Work Order**” refers to the written Notice, delivered in accordance with this Agreement, by which the AOC may require the Contractor to stop all, or any part, of the Work of this Agreement, for the period set forth in the Stop Work Order. The Stop Work Order shall be specifically identified as such and shall indicate that it is issued pursuant to the Stop Work provision in this *Exhibit B*.
- S. “**Subcontractor**” shall mean an individual, firm, partnership, or corporation having a contract, purchase order, or agreement with the Contractor, or with any Subcontractor of any tier for the performance of any part of the Agreement. When the AOC refers to Subcontractor(s) in this document, for purposes of this Agreement and unless otherwise expressly stated, the term “Subcontractor” includes, at every level and/or tier, all subcontractors, sub-consultants, suppliers, and materialmen.
- T. “**Task(s)**” refers to one or more functions, if specified in the Contract Documents, to be performed by the Contractor for the AOC.
- U. “**Third Party**” refers to any individual, association, partnership, firm, company, corporation, consultant, Subcontractor, or combination thereof, including joint ventures, other than the AOC or the Contractor, which is not a party to this Agreement.
- V. “**To Be Determined**” or “**TBD**” is the item that is not yet identified. Any and all To Be Determined items, set forth herein, shall be determined prior to award or by mutual agreement between the Contractor and the AOC and incorporated into the Agreement via Amendment(s).
- W. “**Work**” or “**Work to be Performed**” or “**Contract Work**” may be used interchangeably to refer to the service, labor, Materials, Data, and other items necessary for the execution, completion and fulfillment of the Agreement by the Contractor to the satisfaction of the AOC. Work may be defined to include Tasks, Deliverables, and/or Submittals, as required by the Contract.

2. MANNER OF PERFORMANCE OF WORK

The Contractor shall complete all Work specified in these Contract Documents to the AOC's satisfaction and in compliance with the Non-discrimination/No Harassment Clause, as set forth in

this Exhibit B.

3. TERMINATION OTHER THAN FOR CAUSE

- A. In addition to termination for cause under *Exhibit A, Standard Provisions, paragraph 3*, the AOC may terminate this Agreement at any time upon providing the Contractor written Notice at least ten (10) Days before the effective date of termination. Upon receipt of the termination Notice, the Contractor shall promptly discontinue all services affected unless the Notice specifies otherwise.
- B. If the AOC terminates all or a portion of this Agreement other than for cause, the AOC shall pay the Contractor for the fair value of satisfactory services rendered before the termination, not to exceed the total Contract Amount.

4. AOC'S OBLIGATION SUBJECT TO AVAILABILITY OF FUNDS

- A. The AOC's obligation under this Agreement is subject to the availability of authorized funds. The AOC may terminate the Agreement or any part of the Contract Work, without prejudice to any right or remedy of the State, for lack of appropriation of funds. If expected or actual funding is withdrawn, reduced or limited in any way prior to the expiration date set forth in this Agreement, or in any Amendment hereto, the AOC may terminate this Agreement in whole or in part, upon written Notice to the Contractor. Such termination shall be in addition to the AOC's rights to terminate for convenience or default.
- B. Payment shall not exceed the amount allowable for appropriation by Legislature. If the Agreement is terminated for non-appropriation:
 - i. The AOC will be liable only for payment in accordance with the terms of this Agreement for services rendered prior to the effective date of termination; and
 - ii. The Contractor shall be released from any obligation to provide further services pursuant to the Agreement as are affected by the termination.
- C. Funding for this Agreement beyond the current appropriation year is conditional upon appropriation by the Legislature of sufficient funds to support the activities described in this Agreement. Should such an appropriation not be approved, the Agreement may terminate at the close of the current appropriation year. The appropriation year ends on June 30 of each year.

5. STOP WORK

- A. The AOC may, at any time, by written Notice to the Contractor, require the Contractor to stop all, or any part, of the Work of this Agreement, for a period up to ninety (90) Days after the Notice is delivered to the Contractor, and for any further period to which the parties may agree. The Stop Work Order shall be specifically identified as such and shall indicate it is issued under this provision. Upon receipt of the Stop Work Order, the

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Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the Work covered by the Stop Work Order during the period of Work stoppage. Within a period of ninety (90) Days after a Stop Work Order is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the AOC shall either:

- i. Cancel the Stop Work Order; or
 - ii. Terminate the Work covered by the Stop Work Order as provided for in either of the termination provisions of this Agreement.
- B. If a Stop Work Order issued under this provision is canceled or the period of the Stop Work Order or any extension thereof expires, the Contractor shall resume Work. The AOC shall make an equitable adjustment in the delivery schedule, the Contract Amount, or both, and the Agreement shall be modified, in writing, accordingly, if:
- i. The Stop Work Order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Agreement; and
 - ii. The Contractor asserts its right to an equitable adjustment within thirty (30) Days after the end of the period of Work stoppage; however, if the AOC decides the facts justify the action, the AOC may receive and act upon a proposal submitted at any time before final payment under this Agreement.
- C. If a Stop Work Order is not canceled and the Work covered by the Stop Work Order is terminated in accordance with the Termination Other Than For Cause provision or the AOC's Obligation Subject to Availability of Funds provision, as set forth under this *Exhibit B*, the AOC shall allow reasonable costs resulting from the Stop Work Order in arriving at the termination settlement.
- D. The AOC shall not be liable to the Contractor for loss of profits because of the Stop Work Order issued under this provision.

6. AGREEMENT ADMINISTRATION/COMMUNICATION

- A. Under this Agreement, the AOC Project Manager, TBD shall monitor and evaluate the Contractor's performance. All requests and communications about the Work to be performed under this Agreement shall be made through the AOC Project Manager and the Contractor.
- i. Any Notice from the Contractor to the AOC shall be in writing and shall be delivered the AOC Project Manager as follows:

Judicial Council of California
Administrative Office of the Courts
TBD, AOC Project Manager
455 Golden Gate Avenue

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San Francisco, CA 94102-3688

ii. Other than for Notices, the AOC Project Manager may be contacted as follows:

Telephone: TBD

Facsimile: TBD

Email: TBD

B. Notice to the Contractor shall be directed in writing to: TBD.

7. STANDARD OF PROFESSIONALISM

The Contractor shall conduct all work consistent with professional standards for the industry and type of work being performed under the Agreement.

8. EVALUATION OF CONTRACTOR

The AOC shall evaluate the Contractor's performance under the Agreement.

9. ACCEPTANCE OF THE WORK

A. The AOC Project Manager shall be responsible for the sign-off acceptance of all the Work required and submitted pursuant to this Agreement. Prior to approval of the Work and prior to approval for payment, the AOC Project Manager will apply the acceptance criteria set forth in subparagraph B of this provision, as appropriate, to determine the acceptability of the Work provided by the Contractor. Unsatisfactory ratings will be resolved as set forth in this provision.

B. Acceptance Criteria for Work (“**Criteria**”) provided by the Contractor pursuant to this Agreement:

- i. Timeliness: The Work was delivered on time;
- ii. Completeness: The Work contained the Data, Materials, and Features required in the Contract; and
- iii. Technical accuracy: The Work is accurate as measured against commonly accepted standard (for instance, a statistical formula, an industry standard, or de facto marketplace standard).

C. The Contractor shall provide the Work to the AOC, in accordance with direction from the AOC Project Manager. The AOC shall accept the Work, provided the Contractor has delivered the Work in accordance with the Criteria. The AOC Project Manager shall use the *Acceptance of the Work and Sign-off Form*, provided as *Attachment 1* to this Agreement’s *Exhibit F, Attachments*, to notify the Contractor of the Work’s acceptability.

D. If the AOC rejects the Work provided, the AOC Project Manager shall submit to the Contractor a written rejection using *Attachment 1*, the *Acceptance of the Work and Sign-off*

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Form, describing in detail the failure of the Work as measured against the Criteria. If the AOC rejects the Work, then the Contractor shall have a period of ten (10) business days from receipt of the Notice of rejection to correct the stated failure(s) to conform to the Criteria.

- E. If the AOC Project Manager requests further change, the Contractor shall meet with the AOC Project Manager, within three (3) business days of such request, to discuss changes for the final submission of the Work. The Contractor shall provide the Work within three (3) business days after this meeting, at which time the Work is accepted or the question of its acceptability referred to the Administrative Director of the AOC and a principal of the Contractor, as set forth in *subparagraph F* below.
- F. If agreement cannot be reached between the AOC Project Manager and the Contractor on the Work's acceptability, a principal of the Contractor and the Administrative Director of the AOC, or its designee, shall meet to discuss the problem. If agreement cannot be reached, in the reasonable judgment of the Administrative Director of the AOC, or its designee, and/or the Contractor fails to cure such deficiencies that are perceived in the Work to the reasonable satisfaction of the Administrative Director, or its designee, in the reasonable time established by the Administrative Director, the AOC may reject the Work and will notify the Contractor in writing of such action and the reason(s) for so doing. Upon rejection of the Work, the AOC may terminate this Agreement pursuant to the terms of *Standard Provisions, paragraph 3*, as set forth in *Exhibit A*.

10. CONTRACTOR'S PERSONNEL AND REPLACEMENT OF PERSONNEL

- A. The AOC reserves the right to disapprove the continuing assignment of any of the Contractor's personnel provided to the AOC under this Agreement if in the AOC's opinion, either the performance of the Contractor's personnel is unsatisfactory, or continued assignment of any of the Contractor's personnel is not in the best interest of the AOC. The AOC agrees to provide Notice to the Contractor in the event it makes such a determination. If the AOC exercises this right, the Contractor shall immediately assign replacement personnel, possessing equivalent or greater experience and skills.
- B. If any of the Contractor's Key Personnel become unavailable, or are disapproved in accordance with *subparagraph A*, above, during the term of this Agreement, the Contractor shall immediately assign replacement personnel acceptable to the AOC Project Manager, possessing equivalent or greater experience and skills as that demonstrated in the resume set forth in *Exhibit E, Contractor's Key Personnel*.
- C. The Contractor shall endeavor to retain the same individuals on the Project during the performance of the Work of this Agreement. However, the Contractor may, with approval of the AOC Project Manager, introduce personnel to the Project with specific skill sets or release personnel from the Project whose skill set is not needed at the time, except for the Contractor's Project contact.

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- D. If any of the Contractor's Key Personnel become unavailable or are disapproved and the Contractor cannot furnish a replacement acceptable to the AOC, the AOC may terminate this Agreement for cause pursuant to *paragraph 3*, as set forth in *Exhibit A, Standard Provisions*.

11. SUBCONTRACTING

The Contractor shall not subcontract this Agreement or services provided under this Agreement, unless the AOC agrees to the subcontracting in writing. Any authorized subcontract(s) shall be executed in the same manner as this Agreement. No party to this Agreement shall in any way contract on behalf of or in the name of another party to this Agreement

12. SERVICES WARRANTY

The Contractor warrants and represents that each of its employees, independent contractors or agents assigned to perform any services or provide any technical assistance in planning, development, training, consulting or related services under the terms of this Agreement shall have the skills, training, and background reasonably commensurate with his or her level of performance or responsibility, so as to be able to perform in a competent and professional manner. The Contractor further warrants that the services provided hereunder will conform to the requirements of this Agreement. All warranties, including any special warranties specified elsewhere herein, shall inure to the AOC, its successors, assigns, customer agencies, and any other recipients of the services provided hereunder.

13. CHANGES AND AMENDMENTS

Changes or Amendments to any component of the Contract Documents can be made only with prior written approval from the AOC Project Manager. Requests for changes or Amendments must be submitted in writing and must be accompanied by a narrative description of the proposed change and the reasons for the change. Additional funds may not be encumbered under the Agreement due to an act of Force Majeure, although the performance period of the Agreement may be amended due to an act of Force Majeure. After the AOC Project Manager reviews the request, a written decision shall be provided to the Contractor. Amendments to the Agreement shall be authorized via bilateral execution of a Standard Amendment Coversheet.

14. ACCOUNTING SYSTEM REQUIREMENT

The Contractor shall maintain an adequate system of accounting and internal controls that meets Generally Accepted Accounting Principles or GAAP.

15. RETENTION OF RECORDS

The Contractor shall maintain all financial Data, supporting documents, and all other records relating to performance and billing under this Agreement for a period in accordance with State and Federal law, a minimum retention period being no less than four (4) years. The retention period starts from the date of the submission of the final payment request. The Contractor is also

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obligated to protect Data adequately against fire or other damage.

16. AUDIT

The Contractor shall permit the authorized representative of the AOC or its designee or both at any reasonable time to inspect or audit all Data relating to performance and billing to the AOC under this Agreement. The Contractor further agrees to maintain such Data for a period of four (4) years after final payment under this Agreement.

17. INSURANCE REQUIREMENTS

- A. General. The Contractor shall obtain and maintain the minimum insurance set forth in subparagraph B, below. By requiring such minimum insurance, the AOC shall not be deemed or construed to have assessed the risks that may be applicable to the Contractor under this Agreement. The Contractor shall assess its own risks and if it deems appropriate and/or prudent, maintain greater limits and/or broader coverage. For full coverage, each insurance policy shall be written on an "occurrence" form; excepting that insurance for professional liability, when required, may be acceptable on a "claims made" form. If coverage is approved and purchased on a "claims made" basis, the Contractor warrants continuation of coverage, either through policy renewals or the purchase of an extended discovery period, if such extended coverage is available, for not less than three (3) years from the date of completion of the Work which is the subject of this Agreement.
- B. Minimum Scope and Limits of Insurance. The Contractor shall maintain coverage and limits no less than the following:
- i. Workers' Compensation at statutory requirements of the State of residency.
 - ii. Employers' Liability with limits not less than \$1,000,000.00 for each accident.
 - iii. Commercial General Liability Insurance with limits not less than \$1,000,000.00 for each occurrence, Combined Single Limit Bodily Injury and Property Damage.
 - iv. Business Automobile Liability Insurance with limits not less than \$1,000,000.00 for each occurrence, Combined Single Limit Bodily Injury and Property Damage, including owned and non-owned and hired automobile coverage, as applicable.
- C. Deductibles and Self-Insured Retentions. Any deductibles or self-insured retentions must be declared to, and approved by, the AOC. The deductible and/or self-insured retention of the policies shall not limit or apply to the Contractor's liability to the AOC and shall be the sole responsibility of the Contractor.
- D. Other Insurance Provisions. The General Liability policy required in this Agreement is to contain, or be endorsed to contain, the following provisions:
- i. The AOC, its officers, officials, employees and agents, as well as the officers, officials, employees and agents are to be covered as additional insureds as

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respects liability arising out of activities performed by or on behalf of the Contractor in connection with this Agreement.

- ii. To the extent of the Contractor's negligence, the Contractor's insurance coverage shall be primary insurance as respects the AOC, its officers, officials, employees and agents, as well as the officers, officials, employees and agents. Any insurance and/or self-insurance maintained by the AOC, its officers, officials, employees or agents shall not contribute with the insurance or benefit the Contractor in any way.
 - iii. The Contractor's insurance shall apply separately to each insured against whom a claim is made and/or lawsuit is brought, except with respect to the limits of the insurer's liability.
- E. The Contractor shall provide the AOC certificates of insurance satisfactory to the AOC evidencing all required coverages before Contractor begins any Work under this Agreement, and complete copies of each policy upon the AOC's request.
- F. If at any time the foregoing policies shall be or become unsatisfactory to the AOC, as to form or substance, or if a company issuing any such policy shall be or become unsatisfactory to the AOC, the Contractor shall, upon Notice to that effect from the AOC, promptly obtain a new policy, and shall submit the same to the AOC, with the appropriate certificates and endorsements, for approval.
- G. All of the Contractor's policies shall be endorsed to provide advanced written Notice to the State of cancellation, nonrenewal, and reduction in coverage, within fifteen (15) Days, mailed to the following address: Judicial Council, Administrative Office of the Courts, Senior Manager, Business Services, 455 Golden Gate Avenue, 7th Floor, San Francisco, CA 94102-3688.

18. CONFIDENTIALITY

- A. Both the AOC and the Contractor acknowledge and agree that in the course of performing the Work under this Agreement, the AOC may disclose Confidential Information to the Contractor.
- B. The Contractor agrees not to disclose the Confidential Information to any Third Party and to treat it with the same degree of care as it would its own confidential information. It is understood, however, that the Contractor may disclose the AOC's Confidential Information on a "need to know" basis to the Contractor's employees and Subcontractors and, as directed by the AOC Project Manager, representatives of the AOC that are working on the Project. All such employees and Subcontractors of the Contractor shall have executed a confidentiality agreement with the Contractor requiring a promise of confidentiality concerning the Contractor's clients and business.
- C. The Contractor shall acquire no right or title to the Confidential Information. The Contractor agrees not to use the Confidential Information for any purpose except as

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contemplated pursuant to this Agreement. Notwithstanding the foregoing, the Contractor may disclose the Confidential Information (i) to the extent necessary to comply with any law, rule, regulation or ruling applicable to it; (ii) as appropriate to respond to any summons or subpoena applicable to it; or (iii) to the extent necessary to enforce its rights under this Agreement.

19. COPYRIGHTS AND RIGHTS IN DATA

All copyrights and rights in the Data produced with funding from this Agreement that may presumptively vest in the Contractor shall be transferred to the AOC.

20. OWNERSHIP OF RESULTS

- A. Unless the Contractor and the AOC reach a written agreement to the contrary, the Contractor agrees for itself and its personnel that pursuant to the AOC's requirement (i) all documents, deliverables, software, systems designs, disks, tapes, and any other Data or Materials created in whole or in part by the Contractor in the course of or related to providing services to the AOC shall be treated as if it were "work for hire" for the AOC, and (ii) the Contractor will immediately disclose to the AOC all discoveries, inventions, enhancements, improvements, and similar creations (collectively, "**Creations**") made, in whole or in part, by the Contractor in the course of or related to providing services to the AOC.
- B. All ownership and control of the above Data, Materials, and Creations, including any copyright, patent rights, and all other intellectual property rights therein, shall vest exclusively with the AOC, and the Contractor hereby assigns all right, title, and interest that the Contractor may have in such Data, Materials, and Creations to the AOC, without any additional compensation and free of all liens and encumbrances of any type. The Contractor affirms that the amount encumbered under this Agreement for the Work performed includes payment for assigning such rights to the AOC. The Contractor agrees to execute any documents required by the AOC to register its rights and to implement the provisions herein. Upon the AOC's written request, the Contractor shall provide the AOC with all this Data within thirty (30) Days of the request.
- C. The Contractor agrees not to assert any rights at common law, or in equity, or establish any claim to statutory copyright in such Data. The Contractor shall not publish or reproduce such Data in whole, or part, or any manner or form, or authorize others to do so without the written consent of the AOC.

21. LIMITATION ON PUBLICATION

The Contractor shall not publish or submit for publication any article, press release, or other writing relating to the Contractor's services for the AOC without prior review and written permission by the AOC

22. LIMITATION OF LIABILITY

- A. The AOC shall not be responsible for loss of or damage to any non-AOC equipment arising from causes beyond the AOC's control.
- B. The Contractor indemnifies and holds harmless the AOC from and against all liability for personal injury or property damage caused by the Contractor's negligence or willful misconduct while performing its obligations pursuant to this Agreement on the AOC's premises. Any expiration or termination of this Agreement shall not affect the continuing obligations of the parties described in this Agreement.

23. CONFLICT OF INTEREST

- A. The Contractor and employees of the Contractor shall not participate in proceedings that involve the use of AOC funds or that are sponsored by the AOC if the person's partner, family, or organization has a financial interest in the outcome of the proceedings. The Contractor and employees of the Contractor shall also avoid actions resulting in or creating the appearance of (i) use of an official position with the government for private gain; (ii) preferential treatment to any particular person associated with this Agreement or the Work of this Agreement; (iii) loss of independence or impartiality; (iv) a decision made outside official channels; or (v) adverse effects on the confidence of the public in the integrity of the government or this Agreement.
- B. The Contractor certifies and shall require any Subcontractor to certify to the following:

Former State employees will not be awarded a contract for two (2) years from the date of separation if that employee had any part of the decision making process relevant to the contract, or for one (1) year from the date of separation if that employee was in a policy making position in the same general subject area as the proposed contract within the twelve (12) month period of his or her separation from state service.

24. COVENANT AGAINST GRATUITIES

The Contractor warrants by signing this Agreement that no gratuities, in the form of entertainment, gifts, or otherwise, were offered by the Contractor or any agent, director, or representative of the Contractor, to any officer, official, agent, or employee of the AOC with a view toward securing the Contract or securing favorable treatment with respect to any determinations concerning the performance of the Contract. For breach or violation of this warranty, the AOC will have the right to terminate the Contract, either in whole or in part, and any loss or damage sustained by the AOC in procuring, on the open market, any items, which the Contractor agreed to supply, shall be borne and paid for by the Contractor. The rights and remedies of the AOC provided in this provision shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

25. NATIONAL LABOR RELATIONS BOARD

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By executing this Agreement, the Contractor certifies under penalty of perjury under the laws of the State of California that no more than one (1) final, unappealable finding of contempt of court by a federal court has been issued against the Contractor within the immediately preceding two (2) year period because of the Contractor's failure to comply with an order of the National Labor Relations Board.

26. DRUG-FREE WORKPLACE

The Contractor certifies that it will provide a drug-free workplace as required by California Government Code, Sections 8355-8357.

27. NON-DISCRIMINATION/NO HARASSMENT CLAUSE

- A. During the performance of this Agreement, the Contractor and its Subcontractors shall not unlawfully discriminate against any employee or applicant for employment because of race, religion, color, national origin, ancestry, physical or mental disability, medical condition, marital status, age (over 40), sex, or sexual orientation. The Contractor shall ensure that the evaluation and treatment of employees and applicants for employment are free of such discrimination.
- B. During the performance of this Agreement, the Contractor and its Subcontractors shall not engage in unlawful harassment, including sexual harassment, with respect to any persons with whom the Contractor or its Subcontractors interact in the performance of this Agreement. The Contractor and its Subcontractors shall take all reasonable steps to prevent harassment from occurring.
- C. The Contractor shall comply with applicable provisions of the Fair Employment and Housing Act, California Government Code, Section 12990 *et seq.*, and the applicable regulations promulgated under California Code of Regulations, title 2, Section 7285 *et seq.* The applicable regulations of the Fair Employment and Housing Commission implementing California Government Code, Section 12990, set forth in chapter 5 of division 4 of title 2 of the California Code of Regulations, are incorporated into this Agreement by reference and made a part of it as if set forth in full.
- D. The Contractor and any of its Subcontractors shall give written Notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other agreement.
- E. The Contractor shall include the nondiscrimination/no harassment and compliance provisions of this clause in any and all subcontracts issued to perform Work under the Agreement.

28. AMERICANS WITH DISABILITIES ACT

By signing this Agreement, Contractor assures the AOC that it complies with applicable provisions of the Americans with Disabilities Act ("ADA") of 1990 (42 U.S.C. Section 012101

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et seq.), which prohibits discrimination on the basis of disability, as well as with all applicable regulations and guidelines issued pursuant to the ADA.

29. CALIFORNIA LAW

This Agreement shall be subject to and construed in accordance with the laws of the State of California.

30. PERMITS AND LICENSES

The Contractor shall observe and comply with all federal, state, city, and county laws, rules, and regulations affecting services under this Agreement. The Contractor shall procure and keep in full force and effect during the term of this Agreement all permits and licenses necessary to accomplish the Work contemplated in this Agreement.

31. SEVERABILITY

If any term or provision of this Agreement is found to be illegal or unenforceable, this Agreement shall remain in full force and effect and that term or provision shall be deemed stricken.

32. WAIVER

The omission by either party at any time to enforce any default or right, or to require performance of any of this Agreement's terms, covenants, or provisions by the other party at the time designated, shall not be a waiver of the default or right, nor shall it affect the right of the party to enforce those provisions later.

33. SIGNATURE AUTHORITY

The parties signing this Agreement certify that they have proper authorization to do so.

34. SURVIVAL

The termination or expiration of the Agreement shall not relieve either party of any obligation or liability accrued hereunder prior to or subsequent to such termination or expiration, nor affect or impair the rights of either party arising under the Agreement prior to or subsequent to such termination or expiration, except as expressly provided herein.

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35. ENTIRE AGREEMENT

This Agreement, consisting of all documents as defined herein, constitutes the entire agreement between the parties with respect to the subject matter hereof and shall supersede all previous proposals, both oral and written, negotiations, representations, commitments, writing, and all other communications between the parties. No waiver, alteration, modification of, or addition to the terms and conditions contained herein shall be binding unless expressly agreed in writing by a duly authorized representative of the State.

END OF EXHIBIT B

**ATTACHMENT 2
 CONTRACT TERMS**

EXHIBIT C - PAYMENT PROVISIONS

1. CONTRACT AMOUNT

- A. The total amount the AOC may pay to the Contractor under this Agreement for performing the Work set forth in *Exhibit D, Work to be Performed*, shall be the actual cost not to exceed the Contract Amount of [TBD], as set forth in this *Exhibit C*.
- B. The Contractor has estimated the costs and expenses necessary to complete the Work. The AOC's acceptance of the Contractor's proposal and price does not (i) imply that the AOC approves of or adopts the Contractor's plan, means, methods, techniques, or procedures required to perform the Work, nor (ii) relieve the Contractor from the sole responsibility for the accuracy of its estimate and timely completion of the Work of this Agreement within the total amount for compensation set forth herein.

2. COMPENSATION FOR CONTRACT WORK

- A. For performing the Work of this Agreement, as set forth in *Attachment 2 Contract Terms, Exhibit D - Work to be Performed*, the AOC shall compensate the Contractor at the rate(s) set forth in Table 1, below, not to exceed the amount per Deliverable nor the estimated due date per Deliverable, as set forth in Table 2, below.

Table 1: Contract Hourly Rates for Each of Contractor's Key Personnel and Other Personnel / Job Functions

1. Key Personnel	Hourly Rate
1.A TBD	TBD
1.B TBD	TBD
1.C TBD	TBD
2. Other Personnel / Job Functions	Hourly Rate
2.A TBD	TBD
2.B TBD	TBD
2.C TBD	TBD

[Remainder of page left blank intentionally]

Table 2: Due Dates and Not to Exceed Amounts

Deliverable No.	Due Date	Not to exceed Amount
1	TBD	TBD
2	TBD	TBD
3	TBD	TBD
4	TBD	TBD
5	TBD	TBD
6	TBD	TBD

- B. Except for the specific travel expenses set forth in paragraph 3, below, the hourly rate set forth in Table 1, above, includes all costs, benefits, expenses, fees, overhead, and profits payable to the Contractor for services rendered to the AOC.
- C. The Contractor shall not charge nor shall the AOC pay any overtime rate.
- D. The Contractor shall not request nor shall the State consider any reimbursement for non-production work including but not limited to time spent traveling to and from the job site or any living expenses.
- E. The total actual cost which the AOC may reimburse the Contractor, pursuant to this provision, shall not exceed [**\$TBD**].

3. COMPENSATION FOR TRANSPORTATION, MEALS, LODGING AND ADMINISTRATIVE AND OPERATING EXPENSES

- A. The AOC shall reimburse the Contractor for the following transportation, meals, and lodging expenses.
 - i. The AOC shall reimburse the Contractor for actual expenses incurred for reasonable and necessary transportation, meals, lodging, and other travel-related expenses required performing the Work of this Agreement.
 - ii. The Contractor shall submit a written travel plan to the AOC Project Manager prior to incurring any travel expenses, including the reason for the trip, number of persons traveling, types of expenses the Contractor expects to incur and the estimated costs. Prior approval of the travel plan is required.
 - iii. For necessary air transportation, the AOC will reimburse the Contractor for the actual cost incurred. All air transportation is limited to coach fares and must be booked a minimum of fourteen (14) days prior to travel, unless the AOC Project Manager agrees otherwise in writing.

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- iv. For overnight travel, in accordance with the California Victim Compensation and Government Claims Board (formerly State Board of Control) guidelines, the AOC will reimburse the Contractor for meal and lodging expenses in an amount not to exceed **\$150.00** per day, plus sales tax. Meals shall be reimbursed at the actual cost not to exceed the following maximum amounts per person per Day: breakfast~**\$6.00**; lunch~**\$10.00**; dinner~**\$18.00**; and/or incidentals~**\$6.00**. Hotel room rental shall be reimbursed for the actual cost not to exceed **\$110.00** per Day plus tax and/or energy surcharge. Within the counties of Alameda, San Francisco, San Mateo, and Santa Clara, the maximum rate is **\$140.00** (per day per person), plus tax and energy surcharge.
- v. Reasonable ground transportation expenses will be reimbursed at applicable IRS approved rate per mile. Airport parking will be reimbursed based on the AOC-approved airport economy parking policy.
- vi. Upon AOC Project Manager's request, the Contractor shall provide copies of receipts for reimbursement of transportation, lodging, and meal expenses.
- vii. The total actual cost which the AOC may reimburse the Contractor, pursuant to this provision, shall not exceed [**\$TBD**].

B. Administrative and Operating Expenses

- i. The AOC shall reimburse the Contractor for itemized administrative and operating expenses that are reasonably incurred in performing this Agreement, if the AOC Project Manager approves them. These expenses may include transcription, tapes, postage/ mailing and reasonable costs.
- ii. The total actual cost which the AOC may reimburse the Contractor, pursuant to this provision, shall not exceed [**\$TBD**].

4. DIRECT EXPENSES

All fees and charges noted in this Agreement are inclusive of any and all anticipated travel, lodging, transportation, clerical support, Materials, fees, overhead, profits, and other costs and/or expenses incidental to the performance of the specified requirements under this Agreement.

5. OTHER EXPENSES

The AOC shall not consider reimbursement for costs not defined as allowable in this Agreement, including but not limited to any administrative and operating expenses incurred during the performance of this Agreement.

6. TAXES

The AOC is exempt from federal excise taxes and no payment will be made for any taxes levied

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on the Contractor's or any Subcontractor's employees' wages. The AOC will pay for any applicable State of California or local sales or use taxes on the services rendered or equipment or parts supplied pursuant to this Agreement.

7. METHOD OF PAYMENT

- A. The Contractor shall submit an invoice for Work provided no more often than monthly. After receipt of an invoice, the AOC will either approve the invoice for payment or give the Contractor specific written reasons why part or all of the payment is being withheld and what remedial actions the Contractor must take to receive the withheld amount.
- B. The AOC will make payment in arrears after receipt of the Contractor's properly completed invoice. Invoices shall clearly indicate the following:
- i. The Contract number;
 - ii. An unique invoice number;
 - iii. The Contractor's name and address;
 - iv. A description of the completed Work, including services rendered, Task(s) performed, and/or Deliverable(s) made, as appropriate;
 - v. The dates and hours worked;
 - vi. The name of the Contractor's Key Personnel that performed the Work and the contractual charges, including the appropriate hourly rate;
 - vii. For reimbursable travel expenses, the name(s) of Contractor's Key Personnel that traveled, date of trip, destination, type of trip, and the actual reimbursable expense, as allowed under this Agreement; and
 - viii. A preferred remittance address, if different from the mailing address.
- C. The Contractor shall submit one (1) original and two (2) copies of invoices to:
- Judicial Council of California
Administrative Office of the Courts
c/o Finance Division, Accounts Payable
455 Golden Gate Avenue, 7th Floor
San Francisco, CA 94102-3688
- D. Please note that invoices or vouchers not on printed bill heads shall be signed by the Contractor or the person furnishing the supplies or services.

8. DISALLOWANCE

If the Contractor claims or receives payment from the State for a service or reimbursement that is later disallowed by the State, the Contractor shall promptly refund the disallowed amount to the State upon the State's request. At its option, the State may offset the amount disallowed from

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any payment due or that may become due to the Contractor under this Agreement or any other agreement.

END OF EXHIBIT C

ATTACHMENT 2 CONTRACT TERMS

EXHIBIT D – WORK TO BE PERFORMED

1. Background

- A. A provision of Penal Code Section 1463.02 requires that, on or before June 30, 2011, a task force be established to evaluate criminal and traffic-related court-ordered debts imposed against adult and juvenile offenders (“Task Force”). The Task Force, among other things, must accomplish the following:
- i. Identify all criminal and traffic-related court-ordered fees, fines, forfeitures, penalties, and assessments imposed under law.
 - ii. Identify the distribution of revenue derived from those debts and the expenditures made by those entities that benefit from the revenue.
 - iii. Consult with state and local entities that would be affected by a simplification and consolidation of criminal and traffic-related court-ordered debts.
 - iv. Evaluate and make recommendations to the Judicial Council and the Legislature for consolidating and simplifying the imposition of criminal and traffic-related court-ordered debts and the distribution of the revenue derived from those debts with the goal of improving the process for those entities that benefit from the revenues and recommendations, if any, for adjustment to the court-ordered debts.
- B. The Task Force also shall document recent annual revenues from the various penalty assessments and surcharges and, to the extent feasible, evaluate the extent to which the amount of each penalty assessment and surcharge impacts total annual revenues and the actual amounts assessed.
- C. The Task Force shall also evaluate and make recommendations to the Judicial Council and the Legislature on or before June 30, 2011 regarding the priority in which court-ordered debts should be satisfied and the use of comprehensive collection programs authorized pursuant to section 1463.007, including associated cost-recovery practices.
- D. The Administrative Office of the Courts (AOC) requires assistance in gaining compliance with Penal Code Section 1463.02. The specific assistance required is explained in Table 1.

Table 1. Assistance Required from the Contractor

Item	Penal Code 1463.02 Requirement	Assistance Required
1	Evaluate the implications of data gathered from statewide survey.	Assist in the analyses of data collected from statewide survey of revenue and expenditures.
2	Consult with state and local entities that would be affected by a simplification and consolidation of criminal and traffic-related court-ordered debts.	Interview selected entities to gain input for improvement alternatives.
3	Evaluate the extent to which the amount of each penalty assessment and surcharge impacts total annual revenues and the actual amounts assessed.	Perform analysis of the extent to which individual surcharges impact annual revenues taking account of collections performance.
4	Make recommendations to the Task Force regarding the priority in which court-ordered debts should be satisfied.	Provide Interim Reports to the Task Force regarding prioritization in which court-ordered debts should be satisfied and make recommendations if any (as appropriate) for adjustment to the court-ordered debts. All recommendation must identify pros/cons of each recommendation, and the potential fiscal and political impact(s) and rationale for each recommendation.
5	Evaluate and make recommendations to the Judicial Council and the Legislature for consolidating and simplifying the imposition of criminal and traffic-related court-ordered debts and the distribution of the revenue derived from those debts with the goal of improving the process for those entities that benefit from the revenues.	Provide assistance identifying improvement alternatives (include workshops to frame and make decisions with relevant stakeholder groups).
6	Make recommendations to the Task Force satisfying all requirements of Penal Code Section 1463.02	Provide final report to the Task Force and the Judicial Council and Legislature.

2. Project Objectives and Scope

A. Objectives

- i. The objective of this project is to assist the Task Force in fulfilling the requirements of Penal Code Section 1463.02, including:
 - a. Consolidate and simplify the imposition of court-ordered debt.
 - b. Consolidate and simplify the distribution of revenue derived from those debts.
 - c. Analyze the extent to which each penalty affects total annual revenue and the actual amount assessed.

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- d. Develop recommendations on the priority in which court-ordered debts should be resolved.
- e. Develop recommendations concerning the use of comprehensive collection programs.
- f. Develop recommendations regarding the efficacy between revenue generated by court-ordered debt and the program expenditures that benefit from these revenue streams.

B. Scope

- i. Contractor will analyze results provided by the AOC based on responses obtained from statewide survey of revenues and expenditures.
- ii. Contractor will also facilitate the development of findings for Interim Reports, Items 2 and 3 in Table 1 and recommendations to the Judicial Council on priority in which court-ordered debts should be resolved. This effort shall include conducting interviews with selected entities (Item 1 in Table 1).
- iii. The scope of the project is limited to evaluating criminal and traffic-related court-ordered debts imposed against adult and juvenile offenders and tracing the relationship between revenue generated by offenses to the expenditures occurring at the state and local level.
- iv. Contractor will attend and participate in all meetings of the Court-Ordered Debt Task Force and working groups.

3. Statement of Work

A. Task 1. Project Initiation

- i. The first task of the project is a Planning Meeting. This is a two (2)-hour meeting with the staff lead(s) and other AOC staff as appropriate to review the Contractor's work plan.

Deliverables:

- a. Deliverable – Microsoft PowerPoint document detailing the Project Workbook requirements below:
 - 1. Documentation of the objectives and scope of the project
 - 2. Project work plan and interview plan.

B. Interviews

- i. Task 2.1 Data Gathering

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Data gathering will include questionnaires and interviews with selected local and state entities to understand what measures would be helpful in improving the process for those entities that benefit from the measures. Local and state entities are defined by the composition of the court-ordered debt task force.

ii. Task 2.2 Develop Initial Analyses

Working with members of the Task Force, and in particular city and county representatives as part of the Task Force, Contractor will be required to travel to the regional locations of each Task Force member. Contractor will evaluate results of statewide survey, including examination of: (a) fees, assessments, penalties and other impositions; (b) revenue distribution formulas; (c) how penalties and surcharges impact amount assessed and annual revenues; (d) priority in which court-ordered debts are resolved and the volume of revenue distributed to all entities associated with criminal and traffic-related fines and fees. Task Force locations are as follows:

- Northern/Central Regional Office in Sacramento, CA
- Southern Regional Office in Burbank, CA
- Bay Area/Northern Coastal Office in San Francisco, CA

iii. Deliverables:

Deliverable – Data Gathering and Initial Analyses

1. One or more Microsoft Excel workbooks in which the Contractor will detail the Data Gathering and Initial Analyses and will include the following:
 - Fines, fees and assessments related to criminal and traffic-related court-ordered debts.
 - The distribution of revenue from those debts and the priority in which those court-ordered debts are satisfied.
 - Penalties and surcharges and the extent to which these penalties and surcharges impacts total revenues and the actual amount assessed.
 - The Excel workbooks will contain edits and quality control checklists to reduce data quality errors.

C. Develop Findings

i. Task 3.1 Perform Analysis

Contractor will analyze the completed questionnaires derived from the data gathering task to understand the number of types of fees, assessments and other court-ordered debts that are

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imposed and how penalties are assessed and impact annual revenues. Contractor will then develop models to evaluate different options for simplifying and consolidating the imposition of court-ordered debts. Contractor will perform a similar analysis on revenue distribution to understand the different approaches that are used to distribute revenues and the tracking of expenditures to various surveyed local and state entities and identify potential approaches to simplification and consolidation. In addition, Contractor will analyze the current approaches to the priority in which court-ordered debts are satisfied and identify improvement alternatives, as well as tracing the relationship between the revenue generated by these offenses to the expenditures occurring at the state and local level.

Contractor will then prepare a draft workbook that explains the findings and identifies potential improvement alternatives, an analysis of each alternative and the potential risk and implications. This workbook will be used to support the Findings Workshop for Task 3.2. The draft workbook will be subject to review and input from the Task Force.

ii. Task 3.2 Findings Workshop

Contractor will facilitate a one-day initial Findings Workshop in Sacramento, CA. During this workshop, Contractor will review and present the findings, the data models and the analysis developed in the prior step. Contractor will also review and present the potential approaches and improvement alternatives and the benefits, cost and risk of each. Where appropriate, and to the extent that information is available, Contractor will review how Contractor's models depict the results of various improvement scenarios.

Contractor will work with the Task Force to identify the findings that will be pursued at a second one-day workshop in Sacramento. Contractor will also document the rationale underlying the findings and capture anticipated risks and follow up actions necessary to clarify initial conclusions.

iii. Task 3.3 Progress Reports to Judicial Council

Contractor must supply two Progress Reports to the Judicial Council; the first will be in October 2011 and the second will be in February 2012. This Progress Report will include an update on initial findings, if they are available, and explain the approach that is being taken through the balance of the project. In support of this, Contractor will develop a workbook that explains the findings, progress, plans and issues. Contractor will review this workbook with the Task Force incorporating changes as appropriate. At AOC's discretion, Contractor will attend the Judicial Council meetings, answer questions and present information as directed by the Task Force.

Deliverables:

- a. Task 3.1 and 3.2 Deliverables – Analysis and Findings (included in Regional Workshops Workbook)
- b. Task 3.3 Deliverable - Progress Reports to Judicial Council

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1. The Deliverables will be formatted in a Microsoft PowerPoint document that explains initial findings, project progress and plans for the balance of the project.

D. Develop Interim Reports

i. Task 4.1 Regional Workshops

Contractor will develop a draft Regional Workshop Workbook that explains the initial conclusions from the Findings Workshops of Task 3.2. This Regional Workshop Workbook will review the findings, the supporting data and the implications of implementing the findings. The Task Force will review the draft and provide input for any changes.

Contractor will then facilitate one half-day Regional Workshop at NCRO, SRO, and BANCRO. Attendees at these Regional Workshops may include Task Force members, interested parties, courts, counties or state and local entities that would be affected by the improvement alternatives. During the Regional Workshops, Contractor (and/or AOC) will explain the findings and improvement alternatives and invite the participants to provide feedback on risks, areas of concern, political and fiscal implications, or additional alternatives to simplify and consolidate the imposition of court debt, the distribution of revenues derived from court-ordered debt or the priority in which court-ordered debts should be satisfied.

ii. Task 4.2 Develop Draft of Interim Reports

Following the Regional Workshops, Contractor will develop a draft of the Interim Report. The draft will explain how the study was conducted, the findings and the improvement alternatives. The Interim Report will also include charts and tables developed from the Contractor's data models to support key conclusions. The Interim Report will include an explanation of the potential ramifications to local entities that benefit from the revenue collected from court-ordered debts. The Interim Report will also include recommendations on the priority in which court-ordered debts should be satisfied and the rationale for those recommendations.

iii. Task 4.3 Update and Finalize Interim Report

Contractor will then provide the draft Interim Report to the Task Force for review and comment. If requested by the Task Force, Contractor will also provide a walk-through to explain the organization and content. The Task Force will then provide Contractor comments and feedback on the draft Interim Report. Contractor will review these comments and update the Interim Report as appropriate. Contractor will then finalize the Interim Report

iv. Deliverable

- a. Task 4.1 Deliverable – Development of a Regional Workshops Workbook which will consist of:

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1. A Microsoft PowerPoint document that explains findings and improvement alternatives as described in D. (i) above.
2. Findings which shall include an explanation of the results of the analysis of data provided by the surveys.
3. Findings and improvement alternatives identified in the Findings Workshop.
4. An explanation of the Findings Workshop as well as the key implications consistent with the description in D. (i) above.

Task 4.2 Deliverables – Draft Interim Report

1. A Microsoft Word report that documents the findings and improvement alternatives from Phase I of this project.
2. Findings and improvement alternatives will address the following areas:
 - Alternatives for consolidating and simplifying the imposition of court-ordered debt.
 - Alternatives for consolidating and simplifying the distribution of revenue derived from those debts.
 - Recommendations on the priority in which court-ordered debts should be resolved.
3. An explanation of the rationale underpinning the improvement alternatives.
4. An explanation of the implications with respect to the potential for redistributing funds in a way that will have a detrimental effect on local entities that benefit from revenue derived from court-ordered debt.

E. Draft Final Report Recommendations

Contractor will provide assistance to help AOC modify the Interim Report into a Draft Final Report that includes recommendations of the Task Force. Contractor will provide a specified level of support that can be used in the manner that the AOC considers to be most useful. Contractor's role in this phase may include:

- i. Attending meetings or hearings to explain the improvement alternatives, the rationale underpinning the findings or some aspect of the quantitative analysis.
- ii. Updating the models to identify the revenue impact of new or different simplification scenarios.
- iii. Updating the Interim Report or evolving this into a Draft Final Report.

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iv. Deliverables:

a. Deliverable – Microsoft PowerPoint Draft Final Report Recommendations

1. Microsoft PowerPoint document of Draft Final Report Recommendations, which includes Contractor support, Contractor recommendations on the additional measures, if any, that should be modify the Interim Report into Draft Final Report and suggested changes to Evaluation Model.

2. Schedule

Deliverables	Deliverables	Due Date
1	Project Workbook	6-11
2	Data Gathering and Initial Analysis	8-11
3	Analysis and Findings	9-11
4	Progress Report to Judicial Council	10-11
5	Regional Workshops Workbook	11-11
6	Regional Workshops Completed	12-11
7	Draft Interim Report	2-12
8	Progress Report to Judicial Council	2-12
9	Update and Finalize Interim Report	3-12
10	Interim Report Completed	4-12
11	Draft Final Report Recommendations	5-12

4. Acceptance Criteria of Work

- A. The AOC Project Manager shall be responsible for the sign-off acceptance of all the Work required and submitted pursuant to this Agreement. Prior to approval of the Work and prior to approval for payment, the AOC Project Manager will apply the acceptance criteria set forth in subparagraph B of this provision, as appropriate, to determine the acceptability of the Work provided by the Contractor. Unsatisfactory ratings will be resolved as set forth in this provision.
- B. Acceptance Criteria for Work (“**Criteria**”) provided by the Contractor pursuant to this Agreement:

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- i. Timeliness: The Work was delivered on time;
 - ii. Completeness: The Work contained the Data, Materials, and Features required in the Contract; and
 - iii. Technical accuracy: The Work is accurate as measured against commonly accepted standard (for instance, a statistical formula, an industry standard, or de facto marketplace standard).
- C. The Contractor shall provide the Work to the AOC, in accordance with direction from the AOC Project Manager. The AOC shall accept the Work, provided the Contractor has delivered the Work in accordance with the Criteria. The AOC Project Manager shall use the Acceptance of the Work and Sign-off Form, provided as Attachment 10 to notify the Contractor of the Work's acceptability.
- D. If the AOC rejects the Work provided, the AOC Project Manager shall submit to the Contractor a written rejection using Attachment 10 Acceptance of the Work and Sign-off Form, describing in detail the failure of the Work as measured against the Criteria. If the AOC rejects the Work, then the Contractor shall have a period of ten (10) business days from receipt of the Notice of rejection to correct the stated failure(s) to conform to the Criteria.
- E. If the AOC Project Manager requests further change, the Contractor shall meet with the AOC Project Manager, within three (3) business days of such request, to discuss changes for the final submission of the Work. The Contractor shall provide the Work within three (3) business days after this meeting, at which time the Work is accepted or the question of its acceptability referred to the Administrative Director of the AOC and a principal of the Contractor, as set forth in subparagraph F below.
- F. If agreement cannot be reached between the AOC Project Manager and the Contractor on the Work's acceptability, a principal of the Contractor and the Administrative Director of the AOC, or its designee, shall meet to discuss the problem. If agreement cannot be reached, in the reasonable judgment of the Administrative Director of the AOC, or its designee, and/or the Contractor fails to cure such deficiencies that are perceived in the Work to the reasonable satisfaction of the Administrative Director, or its designee, in the reasonable time established by the Administrative Director, the AOC may reject the Work and will notify the Contractor in writing of such action and the reason(s) for so doing. Upon rejection of the Work, the AOC may terminate this Agreement pursuant to the terms of Attachment 2 Contract Terms, Exhibit A Standard Provisions, Paragraph 3 Termination for Cause, as set forth in *Exhibit A*.

5. Contractor Responsibilities

- A. The Contractor's Project Manager will have the following responsibilities under this Contract:

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- i. Contractor's Project Manager is responsible for the end results and for day-to-day Project management;
 - ii. Contractor's Project Manager serves as the Contractor's primary contact;
 - iii. Works closely with AOC's Project Manager and AOC Project team members
 - iv. Manages, prepares, and refines the Contract's end results;
 - v. Proactively assists with resolution of issues with any aspect of the Work;
 - vi. Proactively anticipates Project deviations and is responsible for taking immediate corrective action;
 - vii. Works with AOC's Project Manager to manage and coordinate Work and knowledge transfer; and
 - viii. Responsible for management of Project budget within constraints of Work requirements
- B. The Contractor's Project Manager is responsible for providing (at a minimum) weekly updates to the AOC Project Manager. Detail reporting of status against the detailed project plan and deliverable schedule is required. The primary communication methods used for this project are:
- i. E-mail and weekly status reports for written communications; and
 - ii. Conference calls, workshops, status meetings, voice mail for oral communications.

6. AOC Responsibilities

The AOC's Project Manager will be responsible for managing, scheduling, and coordinating all Project activities, including Project plans, timelines, and resources, and escalating issues for resolution to AOC management.

END OF EXHIBIT D

Project Title: Court Ordered Debt Task Force Review

RFP Number: FIN051711CK

Date: May 17, 2011

ATTACHMENT 2 CONTRACT TERMS

EXHIBIT E – CONTRACTOR’S KEY PERSONNEL

1. The following individual, or equivalent as approved pursuant to *Exhibit B, Special Provisions, paragraph 10, Contractor’s Personnel and Replacement of Personnel*, shall be the Key Personnel designated to perform the Work of this Agreement:

Contractor’s Key Personnel	Title
[TBD]	[TBD]
[TBD]	[TBD]
[TBD]	[TBD]

2. The Contractor intends to use the Project Management Consultant, as Contractor’s Subcontractor to be Contractor’s Key Personnel for the Work of this Agreement. By this reference, and pursuant to *Exhibit B, Special Provisions, paragraph 11*, Subcontracting, the AOC hereby approves the use of the aforementioned named individual as the authorized and approved Subcontractor to be Contractor’s Key Personnel in performing the Work of this Agreement.

END OF EXHIBIT E

Project Title: Court Ordered Debt Task Force Review
RFP Number: FIN051711CK
Date: May 17, 2011

**EXHIBIT F
ATTACHMENTS**

This Exhibit F includes the following attachment:

Attachment 1, Acceptance of Work and Sign-off Form

[Remainder of page intentionally left blank]

END OF EXHIBIT F

Project Title: Court Ordered Debt Task Force Review

RFP Number: FIN051711CK

Date: May 17, 2011

**ATTACHMENT 1
ACCEPTANCE OF THE WORK AND SIGN-OFF FORM**

Description of Work provided by Contractor:

Date submitted: _____

Work is:

1) Submitted on time: yes no. If no, please note length of delay and reasons.

2) Complete: yes no. If no, please identify incomplete aspects of the Work.

3) Technically accurate: yes no. If no, please note corrections required.

Please note level of satisfaction:

Poor Fair Good Very Good Excellent

Comments, if any:

Work is accepted. Work is unacceptable as noted above.

Name: _____

Title: _____

Date: _____

END OF ATTACHMENT 1