

**STATE OF CALIFORNIA**  
**ADMINISTRATIVE OFFICE OF THE COURTS**



**REQUEST FOR PROPOSAL**

***STATEWIDE COLLECTION SERVICES  
FOR COURT-ORDERED DEBT***

**April 30, 2004**

For more information regarding this RFP and to download documents, please visit the California Courts Web Site: <http://www.courtinfo.ca.gov/reference/rfp/>

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## **I Introduction - Summary Of The Intended Procurement**

### **1.1 Issuing Body and Coordinated Procurement**

This Request for Proposals ("RFP") is being issued by the Judicial Council of California, Administrative Office of the Courts ("AOC") on behalf of the Superior Courts of California ("Courts") and the Counties of California ("Counties").

This RFP seeks proposals from highly qualified collection agencies ("Vendors") to enhance the collection of court-ordered debt.

The AOC intends to award one or more master agreements for use by the Courts or Counties for an initial two-year term with two one-year options to extend the agreement(s); however, the AOC reserves the right to make only one award, multiple awards, to reject any or all proposals, in whole or in part, submitted in response to this RFP, or to make no award.

### **1.2 RFP Layout and Sections**

The RFP is laid out in sections as follows:

1. Introduction – Summary of the Intended Procurement
2. Procurement and Evaluation Process
3. Proposal Format and Content
4. Statement of Work
5. General Conditions

Appendices

- Required Proposal Forms
  - i. Appendix A-1: Pricing Proposal for Part One Services
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- Supplemental Information
  - i. Appendix C: Report Samples
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### **1.3 Project Overview**

#### **1.3.1 Background Information**

Senate Bill 940 calls for the development of a comprehensive collections program for courts and counties. SB 940 establishes the framework to ensure that fees, fines, penalties and assessments ordered by the court are collected. Further, the bill recognizes that the prompt and effective enforcement of court orders is an important element of collections and helps ensure respect for court orders.

SB 940 charges the Judicial Council with establishing a collaborative court-county working group on collections to recommend to the council guidelines for a comprehensive collections program. It also requires each superior court and county to develop a cooperative plan to implement these guidelines and report jointly and annually to the Judicial Council.

The working group includes eight members appointed by the California State Association of Counties, eight members appointed by the Judicial Council – two judges, four court executives and two employees of the Administrative Office of the Courts (AOC), one member from the California Department of Corrections, one member from the California Franchise Tax Board, one member from the California Victim Compensation and Government Claims Board, and one member from the California Youth Association. The goal of this group is to develop recommendations for a collections program based on best practices and accountability that will enhance compliance with court orders and increase revenue to the state, the courts, the counties, the cities, and victims of crime.

The collaborative court-county working group established subcommittees to address eight major issues: court-county collaborative plans, training and education, guidelines and standards, operations, legislation, reporting, statewide request for proposals, and a standard fee schedule. This RFP is a product of the subcommittee for statewide request for proposals.

#### **1.3.2 Project Scope and Approach**

The procurement approach consists of two parts:

(i) Part One, Enhanced Collections, will allow Courts or Counties to utilize a Vendor's services to supplement court or county collection efforts (these efforts may range from courts or counties with no in-house efforts to courts or counties with collections units). A Court or County may use the services specified in this RFP and the services of the Franchise Tax Board (FTB) Court Ordered Debt Collections Program concurrently; however, the same account cannot be assigned simultaneously to Vendor and the FTB;

(ii) Part Two, Discharged Accounts/Accounts to be Discharged, will allow a Court or County to turn over accounts where all efforts have been made in trying to collect on this debt.

**II PROCUREMENT AND EVALUATION PROCESS****2.1 Procurement Schedule and General Instructions**

The AOC has developed the following list of key events from RFP issuance through contract negotiations. All deadlines are subject to change at the AOC's discretion.

<u>No.</u>	<u>EVENTS</u>	<u>Key Dates</u>
1	Issue RFP	April 30, 2004
2	Letter of Intent from Bidder to Participate in Pre-Proposal Conference	May 14, 2004, 5 pm
3	Pre-Proposal Conference	June 2, 2004, 10:00 am – 12:00 pm
4	Deadline for Vendor Requests for Clarifications, Modifications or Questions	June 11, 2004, 5 pm
5	Clarifications, Modifications and/or Answers to Questions posted on Courtinfo website noted in <u>Section 2.1.1</u>	June 21, 2004, 5 pm
6	Proposal Due Date and time	July 13, 2004, 1 pm (Pacific Time)
7	Negotiations (estimated)	July & August 2004
8	Notice of Intent to Award (estimated)	August 23, 2004
9	Notice of Award (estimated)	August 27, 2004

**2.1.1** The RFP and any addenda that may be issued will be available on the following websites:

<http://www.courtinfo.ca.gov/reference/rfp/> (“Courtinfo website”)

**2.1.2 RFP Not a Contract**

The RFP does not constitute a contract or an offer for employment. In addition, any contract awarded as a result of this RFP is subject to any additional restriction, limitation, or condition enacted by the Legislature or established by the Judicial Council of California or a County Board of Supervisors that may affect the provisions, funding, or terms of the contract in any manner. The AOC reserves the right to make one award, multiple awards, or to reject all proposals, in whole or in part, submitted in response to this RFP. The AOC further reserves the right to make no award, and to modify or cancel, in whole or in part, this RFP.

### 2.1.3 Confidential Matters

If any information submitted in a Vendor's proposal is confidential or proprietary, the Vendor must provide that information on pages separate from non-confidential information and clearly label the pages containing confidential information "CONFIDENTIAL."

In addition to labeling each confidential page, the Vendor must include the following statement on a separate page, indicating all page numbers that contain confidential or proprietary information:

*The information contained on pages \_\_\_\_\_ shall not be duplicated or used in whole or in part for any other purpose than to evaluate the proposal; provided that if a contract is awarded as a result of this proposal, the AOC shall have the right to duplicate, use, or disclose this information to the extent provided in the contract. This restriction does not limit the AOC's right to use the information contained herein if obtained from another source.*

PROPOSALS WILL BE MAINTAINED IN CONFIDENCE BY THE AOC UNTIL ISSUANCE OF A NOTICE OF INTENT TO AWARD. UPON ISSUANCE OF A NOTICE OF INTENT TO AWARD, ALL PROPOSALS, INCLUDING PROPOSAL INFORMATION LABELED AS CONFIDENTIAL BY A VENDOR, WILL BE AVAILABLE TO THE PUBLIC AND WILL BE TREATED AS SUBJECT TO DISCLOSURE, EXCEPT TO THE EXTENT INFORMATION IS PROTECTED FROM DISCLOSURE BY LAW.

If Vendor requests that the AOC withhold from disclosure information identified as confidential, and the AOC complies with the Vendor's request, Vendor shall assume all responsibility for any challenges resulting from the non-disclosure, indemnify and hold harmless the AOC from and against all damages (including but not limited to attorneys' fees that may be awarded to the party requesting the Vendor information), and pay any and all cost and expenses related to the withholding of Vendor information. Vendor shall not make a claim, sue or maintain any legal action against the AOC or its officers, employees or agents in connection with the withholding from disclosure of Vendor information.

If Vendor does not request that the AOC withhold from disclosure information identified as confidential, the AOC shall have no obligation to withhold the information from disclosure and may release the information sought without any liability to the AOC.

### 2.1.4 Proposal Preparation Costs

Vendors submitting proposals do so entirely at their expense. There is no express or implied obligation by the AOC to reimburse a Vendor for any costs incurred in preparing or submitting proposals, providing additional information when requested by



the AOC, participating in any selection interviews or product demonstrations, or participating in this procurement.

## **2.2 Pre-Proposal Conference**

A pre-proposal conference to answer questions related to this RFP will be held on the date and at the time specified in Section 2.1:

Administrative Office of the Courts, Southern Regional Office  
2233 North Ontario Street, Suite 100  
Burbank, CA 91504

The pre-proposal conference is mandatory; prospective proposers are required to attend in order to better understand the proposal requirements. Proposals from bidders who did not attend the pre-proposal conference will not be accepted and will be returned unopened.

A letter of intent from a pre-proposal conference participant must be sent to Grant Walker at the address listed in Section 2.2.1 by date and time listed in Section 2.1 indicating the number of individuals who plan on attending the pre-proposal conference.

The AOC will prepare a summary of questions and answers from the pre-proposal conference, as an addenda, which will be posted on the AOC's Courtinfo website.

### **2.2.1 Request for Clarifications or Modifications**

Vendors requesting clarification or modification of this solicitation document, including Section V, General Conditions, or on procedural matters related to the RFP should transmit those questions in writing, by no later than the date specified in Section 2.1 to:

Grant Walker, AOC Business Services Manager  
Judicial Council of California  
Administrative Office of the Courts  
455 Golden Gate Avenue, 7<sup>th</sup> Floor  
San Francisco, CA 94102-3660  
Phone: (415) 865-7978  
Email: [Grant.Walker@jud.ca.gov](mailto:Grant.Walker@jud.ca.gov)

If a Vendor's question relates to a proprietary aspect of its proposal and the question would expose proprietary information if disclosed to competitors, the Vendor may submit the question in writing, marking it as "CONFIDENTIAL". With the question, the Vendor must submit a statement explaining why the question is proprietary. If the AOC concurs that the disclosure of the question or answer would expose proprietary information, the question will be answered, and both the question and answer will be kept in confidence as permitted by law. If the AOC does not concur regarding the

proprietary nature of the question, the question will not be answered in this manner and the Vendor will be notified.

### **2.2.2 Ambiguity, Discrepancies, Omissions**

If a Vendor submitting a proposal discovers any ambiguity, conflict, discrepancy, omission, or other errors in this RFP, the Vendor shall immediately provide the AOC with written notice of the problem and request that this RFP be clarified or modified. Without disclosing the source of the request, the AOC may modify this RFP prior to the date fixed for submission of proposals by posting a written addendum to the AOC's Courtinfo website.

If prior to the date fixed for submission of proposals, a Vendor submitting a proposal knows of or should have known of any ambiguity, conflict, discrepancy, omission, or other error in this RFP but fails to notify the AOC within the time stated above, the Vendor shall submit its proposal at its own risk, and if the Vendor is awarded the contract, it shall not be entitled to any price or other adjustment to the contract for such reason.

### **2.2.3 Contact with Courts, Counties and the AOC**

Vendors are specifically directed NOT to contact any California Court, County or AOC personnel for meetings, conferences, or technical discussions that are specifically related to this RFP at any time prior to any award of the contract. Unauthorized contact with any California Court, County or AOC personnel may be cause for rejection of the Vendor's response.

### **2.2.4 RFP Addenda**

The AOC may modify the solicitation document prior to the date fixed for submission of proposals by posting a written addendum to the AOC's Courtinfo website. Oral clarifications or modifications are not binding on the AOC. If any Vendor determines that an addendum unnecessarily restricts its ability to bid, it must notify Grant Walker, AOC Business Services Manager, at the address noted in Section 2.2.1 no later than two business days following the receipt of the addendum.

## **2.3 Submission of Proposals**

### **2.3.1 Proposal Closing Time, Number and Method of Submission**

One Original Technical and Cost Proposal, twenty (20) hard copies and one (1) electronic format copy of the Proposal in MS Document or PDF format document, and twenty (20) copies of the Cost Proposal must be received no later than the Proposal Due Date and time specified in Section 2.1 (the "Proposal Closing Time") at 455 Golden Gate Ave., 7<sup>th</sup> Floor, San Francisco, CA 94102-3660. **The Cost Proposal should be submitted in a separately sealed envelope and should be marked with "Cost Proposal" and the proposer's name.**

The hard copies and electronic copies of the Technical Proposal should not include any pricing information. Proposals received prior to the Proposal Closing Time that are marked properly will be securely kept, unopened until the Proposal Closing Time. Late proposals will not be considered.

### **2.3.2 Amendment or Withdrawal of Proposals**

A Vendor may amend its proposal only in writing that is received by the AOC prior to the Proposal Closing Time, which conforms to the requirements for proposal submission.

A Vendor may withdraw its proposal at any time prior to the Proposal Closing Time by notifying the AOC in writing of its withdrawal. Amendments or withdrawals offered in any other manner, oral or written, will not be considered. Proposals cannot be amended or withdrawn after the Proposal Closing Time.

### **2.3.3 Authorized Signatures, Validity Period of Proposals**

Proposals must include the Vendor name and address, and be signed by a duly authorized officer or employee of the Vendor.

If the Proposal is made by a sole owner, it shall be signed by the sole owner; if it is made by a partnership, it shall be signed by a member of the partnership and include the name and address of each member of the partnership; and if it is made by a corporation, it shall be signed by **two** officers of the corporation, consisting of one of each of the following: (1) the chairman of the board, president, or vice president, and (2) the secretary, assistant secretary, chief financial officer, or assistant financial officer. If the proposal made by a corporation is signed by a person other than an officer, or by only one officer, there must be attached to the proposal satisfactory evidence that the person signing is authorized by the corporation to execute contracts and bind the corporation on its behalf (e.g., certified copy of a corporation resolution or copy of appropriate corporate bylaws). If the proposal is made by a joint venture, it shall be signed on behalf of each participating company by officers or other individuals who have the full and proper authorization so to do as noted above.

Proposals will be valid for 90 calendar days following the Proposal Closing Date (“Proposal Validity End Date”). In the event a final contract has not been awarded by the Proposal Validity End Date, the AOC reserves the right to negotiate extensions to the validity period.

### **2.3.4 Knowledge of Requirements**

Proposers shall be responsible for knowledge of all items and conditions contained in their proposals and in this RFP, including any AOC issued clarifications or modifications. The AOC will post addenda and clarifications to the AOC’s Courtinfo website, however, it is the Proposer’s responsibility to ascertain that the proposal includes all addenda issued prior to the Proposal Due Date.

**2.4 Overview of Evaluation Process**

**2.4.1 Evaluation Committee**

The AOC will conduct a comprehensive, fair, and impartial evaluation of proposals received in response to this RFP. All proposals received from Vendors will be reviewed and evaluated by a committee of qualified personnel. The Evaluation Committee will first review and screen all proposals submitted, except for the Cost Proposals, according to the **minimum qualifications set forth in Section 2.5**.

Vendors satisfying the minimum qualifications will then be evaluated in accordance with the evaluation criteria set forth in Section 2.6. The Evaluation Committee will first review and complete the evaluation of the technical proposals, without the Cost Proposal. Thereafter, the Cost Proposals will be opened, reviewed and evaluated to determine an overall evaluation score.

**2.4.2 Reservation of Rights**

The AOC, in its complete discretion, may eliminate proposals that have not scored adequately in relation to other proposals to warrant further consideration. The AOC reserves the right to reject any or all proposals, in whole or in part, and may or may not waive an immaterial deviation or defect in a proposal. The AOC’s waiver of an immaterial deviation or defect shall in no way modify the solicitation document or excuse a Vendor from full compliance with solicitation document specifications.

**2.4.3 Requests for Additional Information**

The AOC reserves the right to seek clarification or additional information from any Vendor throughout the solicitation process.

**2.5 Minimum Qualifications**

To be considered for full evaluation and possible award, Proposers must first meet the threshold minimum qualification requirements listed in the following table (Minimum requirements can be met by combining experience, expertise, and resources of Vendor and Subcontractor (s)):

No.	Minimum Qualifications
1.	Must have a comprehensive collections program that meets the requirements of Penal Code Section 1463.007.
2.	Collection services revenue greater than \$10 million per year each of the last three years
3.	Three or more years experience working with government entities/ Public Sector, preferably for court-ordered debt
4.	Will provide full time on-site staff for collection efforts at courts/counties requesting such presence
5.	Neither Vendor nor any of its proposed subcontractors are currently under suspension or debarment by any state or federal government agency and neither Vendor nor any of its proposed subcontractors are tax delinquent with the State of California or Federal Government (Ref. <u>Appendix B</u> )

No.	Minimum Qualifications
6.	Vendor must have all required licenses and permits for states where Vendor performs collection services
7.	Vendor must carry the insurance coverage required in <u>Section 5.21</u>

The Vendor must state specifically in its Executive Summary (see Section 3.1) how it complies with each minimum qualification specified above. Subject to the AOC’s right in its complete discretion to waive minor deviations or defects, only those proposals that meet all of the foregoing minimum qualifications shall be considered for a full evaluation and a possible contract award.

Vendors who fail to meet any of the listed minimum qualifications will be notified in writing, and will have two (2) business days from receipt of such notification to file proof that all such qualifications are met.

**2.6 Evaluation Criteria**

Proposals will be evaluated based upon the following criteria, listed in priority order. Although some factors are weighted more than others, all are considered necessary, and the proposal must be technically acceptable in each area to be eligible for award. With regards to cost, the AOC reserves the right to reject any proposal whose costs are outside of the competitive range.

**(a) Technical Understanding and Approach: 30%**

The Vendor will be evaluated on its ability to understand the nuances of collections for court-ordered debt and plan a successful collections program for a Court or County. The Vendor will be evaluated on its proposed staffing of its project manager, lead collectors, and information technology staff for interfacing with a Court or County’s Case Management and/or accounting System(s).

**(b) Company Experience: 25%**

The Vendor will be evaluated on its experience performing services comparable to that described in Section IV, Statement of Work. The Vendor will also be evaluated on its ability to performed based on its staffing qualifications, company experience and size, and success in providing like services in an efficient manner to groups with similar requires to that of the Courts and Counties. The AOC may contact a local Chamber of Commerce, the Better Business Bureau, the Federal Trade Commission, or the California State Attorney General-Public Inquiry Unit, as part of its reference check.

**(c) Financial Viability and Stability: 10%**

The Vendor will be evaluated on its ability, and that of any subcontractors, to successfully perform based on financial strength, significant events, staffing qualifications of the company, outstanding legal issues.

(d) **Cost/Pricing Factors: 35%**

The proposal will be evaluated in terms of the percentage fee bid and the hourly rate for optional on-site personnel as specified in Section 4.4.

Notwithstanding the criteria and weights listed above, the AOC reserves the right to weigh factors that the AOC determines provides the best potential value for performance of the collection services.

## **2.7 Interviews and Negotiations**

### **2.7.1 Interviews**

Following the initial screening of proposals, the AOC reserves the right to require, and each Vendor must be prepared to conduct, oral presentations and other discussions (written or verbal) on the content of its proposal. The AOC requires that the Vendor's proposed Project Manager be present during the interviews. The AOC reserves the right to interview one or more proposers, or none. Proposers will be responsible for all costs related to the interview, which, at the AOC's sole discretion, may be in-person and/or by teleconference.

### **2.7.2 Negotiations**

If the AOC desires to enter into negotiations, they will do so with one or more proposers, at their discretion, within a competitive fee range. The AOC reserves the right to award a contract, if any, without negotiations.

## **2.8 Award of Contract**

The Evaluation Committee will make a final recommendation for award of the Part One and Part Two work to the Enhanced Collections Steering Committee. A Notice of Intent to Award will be issued to all proposers at least three (3) calendar days prior to the date that action to award the contract will be taken. Upon award, the successful proposer(s) will be required to execute a Master Agreement for Part One and/or Part Two services in accordance with the Statement of Work in Section IV and the General Conditions in Section V, and provide certificates of insurance in conformance with Section 5.21 within ten (10) business days of the award.

## **2.9 Protest Procedures**

Protests may only be filed by the Proposer, and may be based only upon one or both of the following grounds:

- a) The AOC failed to follow procedures and adhere to requirements set forth in the solicitation or any addendum thereto.
- b) The Proposer alleges misconduct or impropriety by the AOC or a member of the Evaluation Committee.

Failure to comply with the protest procedures stated herein may result in rejection of the protest. No contract award will be made until completion of the protest procedures.

### **2.9.1 Protest Based Upon Specifications**

Any protest based on alleged improprieties in the RFP process which are apparent, or reasonably should have been discovered prior to submission of a Proposal, such as allegations that the specifications are unduly restrictive, must be filed at least five (5) calendar days prior to the Proposal closing date specified in Section 2.1 at the following address:

Grant Walker  
AOC Business Services Manager  
Administrative Office of the Courts  
455 Golden Gate Avenue, 7<sup>th</sup> Floor  
San Francisco, CA 94102-3660

The protest must clearly specify in writing the grounds and evidence on which the protest is based. The protestor shall have exhausted all administrative remedies, such as those specified in Section 2.2.1, Request for Clarification or Modifications; Section 2.2.2, Ambiguity, Discrepancies, Omissions; and Section 2.2.4, RFP Addenda, as applicable, prior to submitting the protest. Failure to do so may be grounds for denying the protest.

The AOC Business Services Manager will respond to the protest with a written determination prior to the Proposal Closing Time. The AOC Business Services Manager's decision will be final. Where the determination on the protest could affect the proposal responses, an appropriate extension of the Proposal Closing Time may be granted.

### **2.9.2 Protest Based Upon Notice of Intent to Award**

Protests based upon alleged improprieties that are not apparent or which could not reasonably have been discovered prior to the Proposal Closing Time, such as allegations that the evaluation process was carried out improperly, must be filed within three (3) calendar days of Vendor's receipt of the Notice of Intent to Award with the AOC Business Services Manager specified in Section 2.12.1 at the same address above.

The protest must be in writing and clearly specify the grounds and evidence on which the protest is based. If the protestor later raises new grounds or new evidence not previously set forth in the written protest that reasonably could have been raised when the protest was initially submitted, such new grounds or evidence will not be considered in the determination of the protest.

The AOC Business Services Manager will respond to the protest with a written determination prior to contract award. If the protest is denied, the protestor may

appeal the determination by filing a written request for review within three (3) calendar days from receipt of the notice of denial addressed as follows:

Ronald Overholt  
Chief Deputy Administrative Director of the Courts  
Administrative Office of the Courts  
455 Golden Gate Avenue  
San Francisco, CA 94102-3660

The request for review must specify the grounds and evidence on which the appeal is based. The AOC's Chief Deputy Administrative Director will review the AOC Business Services Manager's decision, the protestor's submission, and any other relevant information, and thereupon render a decision in writing to deny or allow the protest, and the reasons therefore. The decision of the AOC's Chief Deputy Administrative Director shall be final.



### III PROPOSAL FORMAT AND CONTENT

Proposals should be prepared simply and economically, providing a straightforward, concise description of the Vendor's ability to meet the minimum qualifications and mandatory requirements and desired features of this RFP. Excessive information in response to a question may impair the AOC's ability to properly evaluate the Vendor's response. The details of the Vendor's proposal are to be provided in a response format in accordance with this Section III. A Vendor that does not provide a Proposal meeting all RFP requirements in the format noted may be eliminated from any further consideration.

#### 3.1 Executive Summary

The Vendor must provide an Executive Summary of its Proposal. The Executive Summary should be a "high-level", general overview of how the Vendor proposes to accomplish the requirements of this RFP. The Executive Summary should demonstrate the Proposer's understanding of the problem. Also address in this section how Vendor meets the minimum qualifications requirements in Section 2.5.

#### 3.2 Financial Viability and Stability

##### 3.2.1 Background Information

The AOC requires the Vendor to be a reputable company of strong financial standing experienced in court-ordered debt collection services. If Proposer is a joint venture, information about each joint venture partner must be submitted as described below.

Provide the following information for the Vendor:

- (a) Complete name and address.
- (b) Federal identification and/or social security number.
- (c) If incorporated, state in which incorporated.
- (d) A short narrative description of the Vendor's organization, including organization charts and indication of company officers where applicable.
- (e) Principal type of business.
- (f) Total number of years in business.
- (g) Number of years providing services similar in size and scope to those requested in this RFP
- (h) Any previous, current and future engagements that the Vendor has with relevance to:

- (i) Collection of court-ordered debt within California
- (ii) Collection of court-ordered debt outside of California
- (iii) Any previous, current and future collection services engagements with the California Courts, California Counties, the State of California, or any federal, state or local government agencies or entities

(i) List of states in which Vendor is licensed.

(j) An audited profit and loss statement and balance sheet for the Vendor's last three (3) fiscal years. If a company is privately owned, this information will be kept confidential by the AOC. **These financial statements must be contained in a separate volume.**

(k) Significant transactional events in the past five (5) years

such as:

- (i) Bankruptcies
- (ii) Mergers
- (iii) Acquisitions
- (iv) Initial Public Offerings (IPOs)

(l) Annual contract value of the Vendor's three (3) largest collections contracts in the past three (3) years

(m) Percent of turnover of client service staff for each of the last three (3) years in the Vendor's organization that will be responsible for providing the services described in this RFP (e.g., Project Manager(s), lead collectors, etc.), including:

- (i) The service delivery segment, both regionally and nationally
- (ii) The primary office location of the staff proposed in the Vendor response

(n) If subcontractors are proposed for this RFP, describe the Vendor's contract management process for subcontractors included in the Vendor's Proposal and provide copies of signed formal agreements (e.g., teaming agreement or any other legally binding document), if any exist, between the Vendor and each proposed subcontractor.

### **3.2.2 Subcontractors**

If subcontractors are proposed for this RFP, answer the following for each subcontractor.

- (a) Subcontractor name and address.
- (b) Federal identification and/or social security number.
- (c) If incorporated, state in which incorporated.
- (d) A short narrative description of the subcontractor's organization, including organization charts and indication of company officers where applicable.
- (e) Principal type of business.
- (f) Total number of years in business.
- (g) Number of years providing services similar in size and scope to those requested in this RFP
- (h) Any previous, current and future engagements that any of the proposed subcontractors have with the California Courts, the State of California, or any federal, state or local government agencies or entities.
- (i) An audited profit and loss statement and balance sheet for the subcontractor's last three (3) fiscal years. If a company is privately owned, this information will be kept confidential by the AOC. These financial statements must be contained in a separate volume.
- (j) Significant events in the past five (5) years such as:
  - (i) Bankruptcies
  - (ii) Mergers
  - (iii) Acquisitions
  - (iv) Initial Public Offerings (IPOs)
- (k) Percent of turnover of client service staff for each of the last three (3) years in the service delivery segment, as well as the primary service office location responding to this RFP, of the subcontractor's organization that will be responsible for providing the services described in this RFP (e.g., Project Manager(s), lead collectors, etc.)

### **3.3 Company Profile and California Locations**

Vendor shall provide a short description of its company, not-to-exceed 3 pages.

In addition, Vendor shall list all of its California locations and shall include a statement as to whether it can provide services to all Courts/Counties. If Vendor cannot provide services to all Courts/Counties, Vendor shall list the counties where it is proposing to provide services.

### **3.4 Experience and Qualifications**

#### **3.4.1 Comprehensive Collections Program**

Vendor must indicate in detail how it meets the requirements of a comprehensive collections program that meets the requirements of Penal Code Section 1463.007 as noted in Section 2.5, Minimum Qualifications.

#### **3.4.2 Prior Experience and References**

The AOC requires the Vendor and its subcontractors to have prior experience in all aspects of the services described in this RFP for clients similar to or with relevance in the size, complexity and scope of this RFP.

Describe the Vendor's experience as it pertains to providing services similar in size, complexity and scope to those required under this RFP and in the manner required pursuant to this RFP (e.g., those that may be subcontracted versus those for which the Vendor is required to provide the services directly).

(a) Provide information for a minimum of three (3) and a maximum of five (5) engagements within the past three (3) years under which the Vendor collected court-ordered debt similar in size and scope to those required under this RFP. The Vendor shall include the following information for each such engagement:

- (i) Client name
- (ii) Address
- (iii) Contact person
- (iv) Phone number
- (v) Time available for contact in regards to references
- (vi) Type of work performed
- (vii) Period work was performed
- (viii) Subcontractor(s) utilized
- (ix) Brief description of scope of work

(b) For engagements performed for governmental agencies or entities (state, federal, or local) within the past ten years, describe all engagements under which the Vendor collected court-ordered debt similar in size and scope to those required under this RFP.

(c) List any litigation pending and/or engagements that have been terminated prior to normal contract expiration in the past three (3) years. Explain the reasons for early terminations. In addition, provide the following information for each such engagement:

- (i) Client name
- (ii) Address
- (iii) Contact person
- (iv) Phone number

### **3.4.3 Subcontractors**

(a) If the Vendor intends to subcontract, describe the Vendor's experience in managing subcontractors.

(b) If the Vendor intends to subcontract, describe the Vendor's experience with each of the proposed subcontractors.

(c) For each proposed subcontractor, provide three (3) customer references, for services similar to those described in this RFP.

(d) The Vendor shall include the following information for each such engagement where not included in the response to 3.4.1 (a):

- (i) Client name
- (ii) Address
- (iii) Contact person
- (iv) Alternate contact person
- (v) Phone number
- (vi) Time available for contact in regards to references
- (vii) Type of work performed
- (viii) Period work was performed
- (ix) Subcontractor(s) utilized
- (x) Brief description of scope of work including end users

### **3.5 Technical Approach and Methodology**

#### **3.5.1 Work Plan & Methods**

Vendor must indicate whether its Work Plan and Methods are for Part One or Part Two services. If Vendor is proposing on both Part One and Part Two services, it must provide separate sections in its proposal addressing Part One and Part Two services separately.

(a) Proposer shall provide a project plan that describes how the proposer intends to provide its collection services. Specifically, Proposers shall provide the following information regarding methodologies and organization:

(b) Description of Project and Engagement Management methodologies proposed.

(c) Description of proposed project organization structure, including identification of key personnel, roles and responsibilities.

(d) Description of proposed transition from a Court or County's current collections services contract (if any).

(e) Description of how Vendor proposes to connect to a Court or County's Case Management or accounting System(s).

(f) Description of Vendor's security procedures to ensure the security of Court or County data and computer systems (e.g., encryption methods, firewalls, etc.)

(g) Description of Vendor's security requirements for access to its systems by Court or County employees.

(h) Summary of collection activities proposed to collect the Court or County receivables. (Use examples of collection letters, telephone contact, skiptrace techniques, day and evening collection staff, etc.).

(i) Details of its methodology for handling defendants' questions, problems and disputes.

(j) Contractor shall provide details of its methodology for handling non-English speaking defendants, the hearing impaired, or blind defendants.

### **3.5.2 Vendor Computer Systems**

- (a) Vendor shall provide a brief description of its computer system and its update capabilities.
- (b) Vendor shall indicate whether its terminal access will be made available for on-line inquiry. If so, where will the terminal be located and how will access be supplied?
- (c) Vendor shall describe its ability to maintain records of placements, collections recovery, producing reports, and billing of an unlimited number of defendants. Vendor shall describe its computer backup capabilities and what methods are used to ensure the safety and security of all Court and County records and documents.
- (d) Vendor shall provide documentation regarding its capacity to interface with a Court or County. Vendor shall describe the modes of data transmission employed by the vendor in the conduct of business with the reference entities.
- (e) Vendor shall provide details of other automated systems used to enhance collection activities (such as interactive voice response systems, Web-based credit and/or debit card systems, and call distributors).

### **3.5.3 Vendor Key Personnel**

Identify the project manager, lead collectors, lead information technology personnel for interfacing with a Court or County's Case Management and/or accounting System(s), and other key personnel proposed for the project, providing names, qualifications, experiences, certifications, degrees, references, and proposed roles.

### **3.5.4 Proposed Coordination Model**

Identify how vendor plans on coordinating efforts with the requesting Court or County. Please document your assumptions.

## **3.6 Reporting Capabilities to Outside Agencies**

Identify:

- (a) If your firm currently reports data to or otherwise coordinates with any credit agencies or licensing boards
- (b) How your firm reports or otherwise coordinates data with credit agencies or licensing boards

### **3.7 Project Pricing – must be submitted in a separately sealed envelope in accordance with Section 2.3.1**

#### **3.7.1 Part One – Enhanced Collections**

The AOC intends to award contracts to one or more Vendors for Part One collection services whose contracts as negotiated represent the best value after evaluation in accordance with the factors in the solicitation. A Vendor meeting all RFP requirements with the lowest fee may not be selected if award to a higher priced proposal provides best value in the judgment of the AOC.

Vendors are required to complete the Cost Proposal form included in Appendix A-1, Pricing Proposal for Part One Services, to indicate their commission fee for Part One collection services in accordance with Section IV, Statement of Work. If Vendor cannot meet the fee limitations of 4.14.4 for victim restitution, Vendor shall propose an alternative pricing structure for victim restitution. Courts and Counties have the option of excluding victim restitution from the services requested from the Vendor awarded the contract for Part One Services.

If a Vendor wishes to propose an alternate approach to the services specified in Section IV, Statement of Work, then it must include a separate Proposal with detailed information regarding the alternate approach, including all associated pricing, as an alternative proposal (“Alternative Proposal”). The Evaluation Committee will only evaluate an Alternative Proposal if the Vendor submits a Proposal that meets the requirements of the services as stated in Section IV, Statement of Work, the Proposer meets the minimum requirements of Section 2.5, and is otherwise considered responsive.

#### **3.7.2 Part Two – Collections of Discharged or About-to-be Discharged Accounts**

The AOC intends to award the Part Two Contract to one Vendor whose contract as negotiated represents the best value after evaluation in accordance with the factors in the solicitation. The proposed contract meeting all RFP requirements with the lowest fee may not be selected if award to a higher priced proposal provides best value in the judgment of the AOC.

Vendors are required to complete the Cost Proposal form included in Appendix A-2, Pricing Proposal for Part Two Services, to indicate their commission fee for the collection of discharged or about-to-be discharged accounts in accordance with Section IV, Statement of Work.

If a Vendor wishes to propose an alternate approach to the services specified in Section IV, Statement of Work, then it must include a separate Proposal with detailed information regarding the alternate approach, including all associated pricing, as an alternative proposal (“Alternative Proposal”). The Evaluation Committee will only evaluate an Alternative Proposal if the Vendor submits a Proposal that meets the



requirements of the services as stated in Section IV, Statement of Work, the Proposer meets the minimum requirements of Section 2.5, and is otherwise considered responsive.

### **3.8 Required Proposal Forms**

#### **3.8.1 Required Forms**

- (a) Pricing Proposal for Part One and/or Part Two Services (Appendix A-1 and/or Appendix A-2)
- (b) Vendor Certification Form (Appendix B)
- (c) Statement of acknowledgement of Insurance Requirements including copies of current insurance certificates
- (d) Statement of acceptance of Terms; any exceptions to terms must be provided in “redline” with statement of intent as noted in Section 3.8.2.

#### **3.8.2 Acceptance of Terms**

The Vendor’s proposal must include a statement as to whether the Vendor accepts the General Conditions in Section V or whether the Vendor takes any exception to those terms. The Vendor will be deemed to have accepted such terms and conditions, except as is expressly called out in the Vendor’s proposal. If exceptions are taken, Vendor must submit a “redlined” version of the term or condition showing exact proposed modifications to contract language proposed by the Vendor including a statement as to the intent of the modification. The Vendor’s willingness to accept the General Conditions, with minor clarifications, shall be an affirmative factor in the evaluation of the Vendor’s proposal. By contrast, significant modifications to the terms or modifications to particular terms such as Indemnification, Limitation of Liability, Confidentiality, Data Security, etc., shall be a negative factor in the evaluation.

Finally, any proposed additional terms affecting liability or allocation of risk must be set forth in detail, with exact proposed contract language provided.

**IV STATEMENT OF WORK****4.1 Scope of Work for Part One Services:**

4.1.1 Contractor may be requested by a Court or County to provide comprehensive collection services for enhanced payment compliance of accounts related to court-ordered debt, including but not limited to the following categories:

- (a) traffic matters;
- (b) misdemeanor criminal matters;
- (c) felony criminal matters;
- (d) attorney and public defender fees and other court-ordered debt;
- (e) civil filing fees;
- (f) probation fees; and
- (g) victim restitution (optional – see Sections 3.7.1 and 4.14.4).

4.1.2 Current in-house collection functions which may continue to be performed by a participating Court or County may include, but are not limited to the following:

- (a) Generation of courtesy notices indicating amount owed.
- (b) Drivers license holds through California Department of Motor Vehicles, if applicable.
- (c) Generation of additional billing notices (second and third notice).
- (d) Tracking of cases through Court Case Management computer systems.
- (e) Financial evaluations to recover fines, fees, victim restitution, and attorney fees in criminal and juvenile cases.
- (f) Establishing accounts receivable through partial payments.

4.1.3 Contractor shall adjust the receivable record within two (2) business days of any modification information transferred by the Court or County.

4.1.4 Contractor shall be able to report outstanding receivables on behalf of the Court or County to a nationally available credit history reporting database (credit bureau). The Contractor shall, with the approval of the participating Court or County, select a credit bureau, which will best serve the reporting needs of the Court or County. There shall be no additional fee for this service. It shall be the participating Court's or County's option whether specific Court or County approval is required prior to submitting reports of outstanding receivables to a credit bureau.

4.1.5 Unless otherwise specified by a participating Court or County in its agreement referencing this Master Agreement, Contractor shall remit the entire amount of the receivable collected to the participating Court or County on a weekly basis. Cash and cash instruments made payable to the Contractor may be deposited by Contractor into Contractor's bank account with the subsequent issuance of a check made payable to the participating Court or County for the exact sum of the payments received. The Contractor must forward the check to the participating Court or County with supporting documentation on a daily, weekly or monthly basis at the discretion of the Court or County. Contractor shall have the capability to forward funds electronically.

4.1.6 If during the past six (6) months no payments have been received, no new payment has been agreed to by the defendant, and no adjustments have been made by the Court, the Court or County may recall the account without a charge or penalty imposed by the Contractor. Contractor and the participating Court or County shall prescribe the criteria and procedures for returning uncollected accounts to the Court or County.

4.1.7 Contractor shall utilize various skiptracing and collection techniques to locate defendants. Techniques shall include the capability to: communicate in Spanish both orally and in written form; pursue defendants residing within the boundaries of the United States, including military bases and Indian Reservations, or in foreign countries.

4.1.8 Contractor shall monitor bankruptcy cases nationwide on accounts referred for collection and shall notify the Court or County of a bankruptcy case for any of the Court's or County's accounts.

4.1.9 Contractor shall have the ability to receive cases transferred on a daily basis, Monday through Friday excluding holidays. The participating Court or County reserves the right to transfer weekly if necessary.

## **4.2 Scope of Work for Part Two Services:**

4.2.1 Courts and Counties either have or wish to discharge certain accounts that they have expended efforts trying to collect on. The efforts expended differ significantly amongst Courts and Counties, ranging from in-house efforts only to outside collection agency and/or Franchise Tax Board efforts. Part Two of this RFP focuses on just these accounts.

4.2.2 The AOC and the California State Association of Counties ("CSAC") have surveyed the Courts and Counties to determine the number, types and general information of accounts that the Courts and Counties have discharged or wish to discharge and may provide to a Vendor to pursue further collection efforts, attached as Appendix D. The Courts and Counties realize that the effort expended by a Vendor on these accounts may differ from the efforts for Part One Services. Therefore, Vendor shall provide its commission percentage rates for Part One Services separately in Appendix A-2, Pricing Proposal for Part Two Services.

4.2.3 With the exception of Section 4.3, On-site Personnel, all of the requirements of Section IV apply to Part Two Services.

### **4.3 On-site Personnel – at Option of Court or County**

4.3.1 If a Court or County requests such, Contractor shall provide staff at public counter areas to assist the public (accept payments, answer questions, set-up payment arrangements, etc.) during all hours the court is open to the public including night court hours. The night court hours for each Court will be specified in the separate agreement referencing this Master Agreement.

4.3.2 At a Court or County's option, Contractor shall provide sufficient bilingual staff (Spanish speaking) to meet the below listed waiting time requirement at each location during all hours the Court or County is open to the public, including night court hours.

4.3.3 Contractor shall provide sufficient staff to ensure the waiting time for the public needing assistance averages no more than ten (10) minutes. If the waiting time is determined by the participating Court or County to be too lengthy, the Contractor shall provide additional staff and other resources necessary to bring the waiting time to a level acceptable by the participating Court or County.

4.3.4 Contractor shall have sufficient trained staff available locally to cover unexpected absences and staff emergencies.

4.3.5 Contractor shall provide staff and equipment to Courts or Counties as specified through a separate agreement referencing this Master Agreement, in accordance with the rates set forth in the Master Agreement.

### **4.4 Transmission of Account Information**

4.4.1 Contractor shall be responsible for all start-up and on-going operational costs, including all cost associated with the transfer of paper records to electronic data.

4.4.2 Contractor's personnel shall be subject to background investigations as prescribed by a participating Court or County.

4.4.3 Contractor shall provide computer terminals or dial-up or internet access for access to Contractor's system, all necessary phones and related equipment, and shall pay for all phone charges and supplies. Contractor shall provide all additional equipment necessary to conduct business except that equipment specifically provided by the participating Court or County.

4.4.4 Contractor shall provide fully functional on-line inquiry capability into Contractor's collection system to designated Court or County staff at any requested Court or County location.

4.4.5 Contractor shall designate one individual for contact purposes at each Court or County location who is authorized to represent the Contractor and who is responsible for the performance of the on-site Contractor staff. In addition, the project manager at each participating Court or County must be provided the name and direct phone number of the contact person's immediate superior.

4.4.6 Contractor staff shall work with the participating Court or County staff to expedite the check-in process for court appearances on those cases where the account has been transferred to the Contractor. Contractor shall supply an account payment history for each case appearing in court or as needed. An account payment history shall include the following:

- (a) Defendant's name and case number.
- (b) The amount of bail and/or fine referred, the amount applied to the bail and/or fine and any balance remaining.
- (c) The amount of civil assessment added (separate from the bail and/or fine), the amount applied to the civil assessment and any balance remaining.
- (d) A chronological list of payments.

#### **4.5 Collection Procedures**

Contractor shall follow all collection procedures contained in Contractor's response to Section 3.5.1 of this RFP, subject to any written modifications agreed to by the parties.

#### **4.6 Collection Notices**

4.6.1 Prior to using a written collection notice, Contractor shall provide drafts of all written collection notices to be mailed and describe the ability of the participating Court or County to review and customize the language of such notices.

4.6.2 Prior to beginning services, Contractor shall provide a copy of its telephone collector's guide and training materials to the participating Court or County.

#### **4.7 Reporting Requirements**

Unless otherwise set forth by a Court or County in its agreement referencing this Master Agreement, the Contractor shall provide the following reports, that shall be generated by the Contractor's computer system, to designated Court or County personnel. Note: The Court or County may, in the future, identify the need for additional reports. Contractor agrees to provide any additional reports required by the Court or County. Separate reports must be provided for each location with division reports for account reconciliation and court-wide summaries for court-wide analysis and strategic planning. At the Court's discretion, the reports may be electronically transferred or provided in hardcopy format. Unless otherwise indicated, all information must be

reported by category with subtotals per category and a grand total. Whenever defendant names are displayed, they shall be displayed last name first. Contractor shall provide sample reports to the Court for approval prior to implementation and as changes are made during the term of the contract.

#### **4.7.1 Acknowledgment Report**

Contractor shall provide a complete list of all accounts by account category each time accounts are referred. The report shall list the defendant's name, case number, appearance date or fine due date, the amount of bail or fine referred, the total item count, and the total bail or fine amount referred. The report shall be sorted alphabetically beginning with the defendant's last name. The report shall be provided within two business days following the date the Contractor can access the referrals. (Appendix C – Report Samples)

#### **4.7.2 Daily Payment Transmittal Report**

Contractor shall provide a daily payment information report. The report shall include a listing of every account upon which a payment has been made. It shall include the following information: Defendant's name, case number, balance owed, previous amount paid, amount of current payment, total paid, and the balance due. The report shall also indicate how the current payment was distributed; e.g., amount applied to bail and/or fine, amount applied to civil assessment, Contractor's commission (cost), and a total of the amount distributed. The last line is the total of all amounts in each column. The report shall be sorted first by account category, then alpha beginning with the defendant's last name. The report must be provided the following business day, reflecting the prior day's payments. An electronic or fax copy is acceptable with the original to be provided with the remittance. (Appendix C – Report Samples)

#### **4.7.3 Daily Adjustment Report**

Contractor shall provide a daily report of each adjustment processed for each account. The report shall include a listing of every account where an adjustment has been made to any previously applied payment or amount referred or owed. In addition, the report shall summarize each day's adjustment reasons by category of Cash or Non-Cash. Examples of adjustment reasons in each category are listed below. (a Court or County may need to add other adjustment reasons or categories in the future.)

- (a) Payment (Cash) Adjustment reasons would include:
- Returned Check
  - Mis-applied Payment
  - Overpayment

(b) Other (Non-Cash) Adjustment reasons, unrelated to a payment, would include:

- Referred in Error by the participating Court or County
- Incorrect Amount Referred
- Payment collected by the participating Court or County
- Reduced by lawful court order
- Increased by lawful court order
- Assigned to Public Work Service

The report shall include the following information: Defendant's name (sorted by last name), case number, adjustment reason code (2 or 3 characters), original bail or fine amount referred or owed, new bail or fine amount owed, type of change (increase or decrease), original civil assessment owed, and the new civil assessment owed. The report shall contain an Adjustment Reason Code Legend. (Attachment C – Report Samples)

#### **4.7.4 Summary of Account Activity Report**

Contractor shall provide a summary of account activity for each month. The report shall display all required information by group (A-H) with subtotals for each group and a grand total. The report shall be provided within five (5) business days after the close of the accounting period. (Appendix C – Report Samples)

#### **4.7.5 Agency Activity Report**

Contractor shall provide a summary of the activity performed by the agency on the participating Court's or County's accounts. For example, the report shall include, but is not limited to, the number of initial PC1214.1 civil assessment letters sent, the number of second (and subsequent) notices sent, the number of accounts with activity, and the number of phone calls made by the Contractor to pursue collections. The report shall be provided within one week after the end of the month. The information contained on the report may be used to measure performance goals and compliance with any performance standards established by the Court. Contractor to submit report sample prior to implementation.

#### **4.7.6 Collection Analysis Report**

Contractor shall provide a summary of collections for the month and include referrals in numbers and dollar value, gross collections in dollars and percentages matched against the month the account was placed, non-cash adjustments and commission expense in dollars and percents, and accounts remaining. The report shall be provided within five (5) business days after the end of the month. (Appendix C – Report Samples)

#### **4.7.7 Account Status Report**

Each month, the Contractor shall provide a complete listing of all accounts, by location, currently held by the Contractor. The report shall be on disc or other electronic media that does not require the Contractor or the Court to produce a hard copy report. The report shall include the defendant's name, case number, referral, beginning balance, total payments and adjustments, and the current balance. The report shall be sorted alphabetically by defendant's last name. The report shall be provided within five (5) business days after the end of the month. Contractor shall provide a sample report prior to implementation.

#### **4.8 Return Accounts**

When an account is returned, Contractor shall give the reasons why the account is deemed to be uncollectible and make a recommendation on future action (e.g., continue to pursue in some manner, write off, etc.).

#### **4.9 Vendor Computer Systems**

4.9.1 Contractor shall have a computer system that will interface with the Court's existing traffic, minor offense and/or Court/County accounting systems.

4.9.2 Contractor's computer system shall also interface with the a Court's planned replacement for its case management and/or a replacement of a Court or County accounting systems. As such, it must, at a minimum, be capable of processing a standard formatted file with the following information:

- (a) Case number
- (b) Defendant name, address, phone number & demographics
- (c) Account type and status
- (d) Case balance
- (e) Next payment

#### **4.10 Transition Services**

Upon expiration or termination of a Master Agreement or Participation Agreement, Contractor shall provide to the Court or County proof of destruction of hard copy account information; all electronic account information must be deleted from Contractor's computer systems, including backup copies. In addition, Contractor shall send a letter to all accounts notifying them that Contractor will no longer be handling the account.

Contractor shall continue to forward all payments sent to it by any account to the Court or County. If payment is forwarded to the Court or County within 60 calendar days of expiration or termination of the Master Agreement or Participation Agreement, the Court or County will pay Contractor the fee identified in the Master Agreement. If



the Contractor forwards payment to the Court or County after 60 calendar days of expiration or termination of the Master Agreement or Participation Agreement, the Contractor will no longer be due, nor will the Court or County pay, a fee.

A Court or County may request Contractor to transfer accounts to a new vendor in a format described by that Court or County. The Court or County shall have the right to withhold Vendor's last payment until all accounts have been transferred in a format acceptable to the Court or County.

#### **4.11 Other Services – at Option of Court or County**

Optional: Some Courts and Counties may not have a viable software system that would allow the Court or County to easily transfer some accounts to the Franchise Tax Board (FTB) or accept information electronically, apply it to an account and prorate the disbursement; the staff to handle the phone calls resulting from the transfer of an account to the FTB; or the staff to notify the FTB of reduced judgments. Therefore, a Court or County may request Contractor to transfer accounts to the FTB in a format described by that Court or County. Upon referral to the FTB, Contractor will cease all collection work on the account, but will remain responsible for canceling and adjusting all accounts as appropriate, and answering inquiries related to the program from defendants. If a Court or County selects these option services, the Contractor will be responsible for all programming costs associated with the identification, transfer, and separate reporting of accounts referred to the FTB.

#### **4.12 Procurement Process – Use of Master Agreement**

After award of a Master Agreement or Master Agreements, requests for services utilizing a Master Agreement will be made by issuance of a Participating Agreement from a Court or County requesting collection services as specified in this Master Agreement. The Participating Agreement will reference the Master Agreement and the terms and conditions of the Master Agreement shall take precedence over the terms and conditions of the purchase order, contract, or terms and conditions included on an invoice or like document unless changes are made by reference to specific provisions of the Master Agreement.

#### **4.13 Payment Process**

As specified in Section 4.1.5, Contractor shall forward the entire amount collected to the Court or County and shall, on a monthly basis, send the Court or County an invoice for its fee for the collected amount. Contractor shall not withhold its fee from any amounts to be forwarded to the Court or County. Unless otherwise agreed to in a Participation Agreement, Contractor will be paid by the Court or County net 30 days from receipt of a correct, itemized invoice.

**4.14 Pricing Structure**

4.14.1 Contractor shall accept all accounts referred by a Court or a County on a contingency fee basis, understanding that compensation will be paid only from those monies collected by the Contractor and allocated as noted below.

4.14.2 The applicable Commission Fee noted in the Pricing Proposals shall be based on the volume of all Court and County accounts assigned to the Contractor, for the specific category of account noted in the Pricing Proposals, on the date of calculation of the invoice to be sent to a Court or County.

4.14.3 For victim restitution, Contractor's fee will be limited to the 10% administration fee allowed by statute and if authorized by a resolution by a County Board of Supervisors. Contractor will not be entitled to invoice a Court or a County for this fee until the victim's restitution has been paid in full.

4.14.4 For the optional services described in Section 4.11, Other Services, Contractor will invoice the Court or County, and will be compensated for collections performed by and received from FTB, at the rate identified in Appendix A-1, Pricing Proposal for Part One Services, net of the amount received from the FTB.

4.14.5 Contractor understands that the California Department of Motor Vehicles (DMV), and the California Franchise Tax Board (FTB) under its Tax Intercept Program, will sometimes collect the money due on an account that has been referred to the Contractor. The DMV and FTB will transmit these monies directly to the Court. Contractor shall receive no compensation from those accounts where monies are collected by the DMV or the FTB.

**V GENERAL CONDITIONS****5.1 Definitions** – the following defined terms used in this Agreement shall have the meanings specified below:

1. “Acceptance”, “Accept” and “Accepted” means the Client’s written acceptance of a Service.
2. “Applicable Law” means any federal, state and local laws or ordinances, codes, legislative acts, regulations, ordinances, rules, rules of court and orders, as applicable.
3. “Business Day” means any day on which the Client is open for business.
4. “Client” means the Court or County entering into a Participating Agreement which references this Master Agreement.
5. “Client Agents” means the agents, subcontractors and other representatives of the Client, other than Contractor and Contractor Agents.
6. “Client Applicable Law” means all Applicable Laws that apply specifically and uniquely to the judicial branch of the State of California.
7. “Client Data” means all data and information (i) which is created for the Client or the Client Group in the course of Contractor or Contractor Agents providing the Services, or (ii) that has been submitted or made available to Contractor or Contractor Agents by or on behalf of the Client Group or Client Agents, including all such data and information relating to the Client Group and their respective contractors, agents, employees, technology, operations, facilities, markets, products, capacities, systems, procedures, security practices, court records, court proceedings, research, development, business affairs and finances, ideas, concepts, innovations, inventions, designs, business methodologies, improvements, trade secrets, copyrightable subject matter, patents and other intellectual property and proprietary information.
8. “Client Group” means, collectively, (a) the participating Court and its County or (b) the participating County and its Court. Both the Court/County and its County/Court shall be deemed a direct and intended third party beneficiary under this Master Agreement.
9. “Confidential Information” has the meaning set forth in Section 5.18.
10. “Contract Year” means each 12-month period commencing on the Effective Date of this Master Agreement and thereafter upon each 12-month anniversary of the Effective Date.

11. “Contractor Agent(s)” means the agents and other representatives of Contractor performing hereunder who are not employees of Contractor.
12. “Contractor Applicable Law” means all Applicable Laws applicable to Contractor’s and each Contractor Agent’s performance under this Agreement, excluding Client Applicable Laws.
13. “Contractor Key Personnel” means the Contractor’s Project Manager, and lead collectors and/or information technology personnel identified by a Client on its Participating Agreement. Any additions or deletions to the Contractor Key Personnel after the Effective Date shall be made pursuant to the Change Control Procedures.
14. “Contractor Project Manager” has the meaning set forth in Section 5.8.
15. “Data Safeguards” has the meaning set forth in Section 5.7.
16. “Extension Period” has the meaning set forth in Section 5.15.
17. “Fees” means the fees for the Services set forth in the Fee Schedule, Exhibit [ ] to the Master Agreement’s and any other amounts payable by the Client to Contractor pursuant to this Agreement.
18. “Initial Term” has the meaning set forth in Section 5.15.
19. “Participating Agreement” means the contract issued by a Court or County which requests collection services to be performed under this Master Agreement and which references this Master Agreement.
20. “Parties” means the Client and Contractor, collectively.
21. “Party” means either the Client or Contractor, as the case may be.
22. “Services” has the meaning set forth in Section 5.2.
23. “Term” means the Initial Term and any Extension Periods.
24. “Third Party” means any person or entity other than the Client Group, Contractor and Contractor Agents.

## **5.2 Services**

5.2.1 Except as otherwise expressly provided in this Master Agreement as may be modified by a Participating Agreement, commencing on the Effective Date and continuing throughout the Term, Contractor shall perform the services specified in Section 4.1 or 4.2 of this Master Agreement.

### **5.3 Alternative Sourcing**

5.3.1 The Client will have the right, at its sole discretion at any time, to perform itself or to contract with Third Parties to perform any part of the Services. Contractor shall reasonably cooperate with the Client and with Third Parties retained by the Client to perform such other services.

### **5.4 Authorizations**

5.4.1 Contractor shall obtain and keep current all necessary licenses, approvals, permits and authorizations required by Contractor Applicable Laws. Contractor will be responsible for all fees and taxes associated with obtaining such licenses, approvals, permits and authorizations.

### **5.5 Acceptance**

5.5.1 Acceptance by the Client may be required for interfacing Contractor's computer system with the Client's case management system and/or accounting system(s). Acceptance shall not be deemed to occur until the Client confirms in writing to Contractor that the computer interface has been Accepted by the AOC in accordance with this Section 5.5.

5.5.2 The Parties may set forth Acceptance criteria and Acceptance procedures in a Participation Agreement. If no criteria and/or procedures are set forth in the Participation Agreement with respect to computer interfaces, then Acceptance shall occur upon the Client's written confirmation to Contractor that the Client has Accepted the interface.

### **5.6 Other Resources**

5.6.1 Except where this Master Agreement or a Participation Agreement specifically provides otherwise, Contractor is responsible for providing any and all facilities, assets, and resources (including personnel, facilities, equipment, and software) necessary and appropriate for delivery of the Services and to meet Contractor's obligations under this Master Agreement. Equipment, software licenses and Third Party service contracts to which access or use is being provided to Contractor will be provided on an "as is, where is" basis.

### **5.7 Data Security**

5.7.1 Unless otherwise agreed in writing by the Client, Contractor shall establish and maintain safeguards against the destruction, loss or alteration of the Client Data in the possession of Contractor (the "Data Safeguards") that are no less rigorous than the most rigorous practices of the Client Group and Contractor as of the Effective Date and during the Term. Contractor personnel and Contractor Agents shall not attempt to access, and shall not allow access to the Client Data that is not required for the performance of the Services by such personnel. If Contractor intends to change the Data Safeguards (including pursuant to the Client's request), Contractor shall notify the Client

and, upon the Client's approval, make such change. In the event Contractor or a Contractor Agent discovers or is notified of a breach or potential breach of security relating to the Client Data, Contractor shall promptly (1) notify the Client of such breach or potential breach and (2) if the applicable Client Data was in the possession of Contractor or Contractor Agents at the time of such breach or potential breach, Contractor shall (a) investigate and cure the breach or potential breach and (b) provide the Client with assurance satisfactory to the AOC that such breach or potential breach will not recur.

## **5.8 Contractor Project Manager**

5.8.1 Contractor shall appoint a Project Manager (the "Contractor Project Manager") who, from the Effective Date, shall serve as the primary Contractor representative and project manager under a Participating Agreement. Any change in the Contractor Project Manager shall be subject to the Client's prior written approval (such decision not to be unreasonably delayed). Contractor shall notify the Client of the proposed assignment, introduce the individual to appropriate Client representatives and provide the Client with a resume and other information about the individual reasonably requested by the Client. The Contractor Project Manager shall (i) have overall responsibility for managing and coordinating the performance of Contractor's obligations under a Participating Agreement, including the performance of all Contractor Agents, and (ii) be authorized to act for and bind Contractor and Contractor Agents in connection with all aspects of the Master Agreement and Participating Agreement. The Contractor Project Manager shall respond promptly and fully to all inquiries of the Client project manager during the Term. The Contractor Project Manager responsibilities shall include: (i) providing administrative, supervisory, and technical direction to project staff; (ii) monitoring performance hereunder for accuracy, timeliness, efficiency as required by the provisions of this Master Agreement and Participating Agreement, (iii) adherence to the terms and conditions of this Master Agreement and Participating Agreement; and (iv) coordinating the resolution of issues and the implementation and enforcement of problem escalation procedures.

## **5.9 Contractor Key Personnel**

5.9.1 Contractor Key Personnel will be identified in a Participating Agreement and may include lead collectors and/or information technology personnel of Contractor. The Client reserves the right to interview and approve proposed Contractor Key Personnel prior to their assignment. The Contractor Project Manager shall be considered an Contractor Key Personnel. Contractor shall not replace or reassign an Contractor Key Personnel for twelve (12) months from the date of assignment, unless the Client consents to reassignment or replacement, or such Contractor Key Personnel (i) voluntarily resigns or takes a leave of absence from Contractor, (ii) is dismissed by Contractor for misconduct (i.e., fraud, drug abuse, theft) or fails to comply with Contractor's conduct guidelines, (iii) fails to perform his or her duties and responsibilities pursuant to this Master Agreement, (iv) dies or is unable to work due to his or her disability, or (v) voluntarily requests reassignment for reasons of personal hardship (but specifically excluding career advancement and job satisfaction considerations). If

Contractor needs to replace Contractor Key Personnel for any of the foregoing reasons, Contractor shall (a) notify the Client immediately, (b) provide resumes for proposed replacement Contractor Key Personnel within five (5) Business Days of occurrence of so notifying the Client, and (c) assume all costs and expenses associated with the transition of work to such replacement personnel, including any costs associated with familiarizing such replacement Contractor Key Personnel with the Services.

### **5.10 Subcontractors**

5.10.1 Contractor shall not subcontract or delegate any of its obligations under this Master Agreement except as approved by the Client in its Participating Agreement or Contractor shall not subcontract or delegate any of its obligations under this Agreement except as approved by the AOC Project Manager in writing in its sole discretion.

### **5.11 Project Staff**

5.11.1 Contractor shall utilize individuals with suitable training and skills to perform the Services. At the end of every ninety (90) day period after the Effective Date, Contractor shall provide the Client with a list of all individuals on the Project Staff who are located at a Client location. At no time shall personnel of Contractor and Contractor Agents located on the Client Group's premises provide services on such premises except which support the Client Group's operations. Contractor shall notify the Client as soon as possible after dismissing or reassigning any member of the Project Staff whose work location is a Client location. The Client shall have the right at any time, at no cost to the Client, to request that Contractor remove any of its personnel from the Project Staff, if in the Client's good faith opinion, such personnel is unsatisfactory with respect to performance or conduct. If the Client exercises this right, Contractor shall meet with the Client to discuss the consequences and if following such meeting the Client continues to have good faith concerns, Contractor shall promptly remove such individual from the Project Staff. Contractor shall maintain backup procedures and conduct the replacement procedures for the Project Staff in such a manner so as to assure an orderly and prompt succession for any Project Staff member who is replaced. Upon the Client's request, Contractor shall make such procedures available to the Client Group.

5.11.2 Conduct of Project Staff – While at Client locations, Contractor shall, and shall cause Contractor Agents to, (1) comply with the requests, standard rules and regulations and policies and procedures of the Client Group regarding safety and health, security, personal and professional conduct (including the wearing of an identification badge and adhering to site regulations and general safety practices or procedures) generally applicable to such Client locations, and (2) otherwise conduct themselves in a businesslike manner. Contractor shall enter into an agreement binding all Project Staff to non-use and non-disclosure requirements at least as protective as those on Contractor with respect to the Client's Confidential Information in connection with Contractor's provision of the Services (to the extent that such agreements do not already exist). The Client shall, at its expense, have the right, but not the obligation, to conduct a background check, as permitted by law, on all persons granted access to the premises or

computer and information systems of the Client Group. Contractor shall reasonably cooperate with the Client Group in performing such background checks, and shall promptly notify the Client of any such person refusing to undergo such background checks, and shall reassign such person and any other person whose background check results are unacceptable to the Client Group to another area reasonably satisfactory to the Client. Contractor shall obtain, to the extent permissible under Applicable Law, all releases, waivers, or permissions required for the release of such information to the Client Group.

## **5.12 Payments to Contractor**

### 5.12.1 Fees

Subject to performance of the Services hereunder, in consideration of Contractor providing the Services, the Client shall pay to Contractor the Fees in accordance with Exhibit [ ], Fee Schedule.

### 5.12.2 Expenses

Except as expressly set forth in this Master Agreement, all expenses relating to the Services are included in the Fees and shall not be reimbursed by the Client.

### 5.12.3 Payment Schedule

Each month of the Term and in such a manner that the Client receives Contractor's invoice within ten (10) Business Days after the last day of such month, Contractor shall invoice the Client, care of the Accounts Payable Department, for the Services satisfactorily performed in accordance this Master Agreement during such month.

### 5.12.4 Time and Payment of Invoices

Unless otherwise noted in a Participation Agreement, payment will be made net thirty (30) days after the Client's receipt of itemized invoice amounts, subject to the Client's right to withhold amounts disputed by the Client. Contractor shall provide invoices with the level of detail reasonably requested by the Client.

### 5.12.5 Taxes

Unless otherwise required by law, the Client is exempt from federal excise taxes and no payment will be made for any personal property taxes levied on Contractor or on any taxes levied on employee wages. The Client shall only pay for any federal, state or local sales, service, use, or similar taxes imposed on the Services rendered pursuant to this Master Agreement.



## 5.13 Audits

### 5.13.1 Services

Except with respect to records and supporting documentation subject to Section 5.13.2 below, upon reasonable prior notice from the Client, Contractor shall provide, and shall cause Contractor Agents to provide, the Client Group, Client Agents and any regulatory entity with reasonable access and any reasonable assistance that they may require for the purpose of performing audits, and audit the Services and related operational processes and procedures relating to the Services. Subject to the provisions of Article 5.13.2, if any audit by an auditor designated by the Client or a regulatory authority results in Contractor being notified that Contractor or Contractor Agents are not in compliance with this Master Agreement, any applicable audit requirement or any Contractor Applicable Law, Contractor shall, and shall cause Contractor Agents to, promptly take actions to comply as directed by the Client.

### 5.13.2 Records

(a) Contractor agrees that, upon the Client's request, the Client or its designated representative shall have the right to audit and copy any records and supporting documentation pertaining to performance under this Master Agreement (excluding any cost information or internal financial audit reports except to the extent necessary to confirm the accuracy of payments made under this Master Agreement and Participation Agreement). Contractor agrees to maintain such records for possible audit for a minimum of three (3) years after final payment, unless a longer period of records retention is stipulated by Applicable Law. Contractor agrees to allow the auditor(s) access to such records during normal business hours and to allow interviews of any employees or others who might reasonably have information related to such records. Further, Contractor agrees to include a similar right of the Client to audit records and interview staff in any subcontract related to performance of this Master Agreement. Any Third Party auditor designated by the Client must execute a reasonable nondisclosure Agreement with the Client that protects the Confidential Information of Contractor and contains confidentiality provisions at least as stringent as those set forth in this Master Agreement. Any audit conducted under this Master Agreement shall be conducted during normal business hours upon reasonable advance written notice; provided that Contractor shall not be required to make such records available for inspection more than once per year unless otherwise provided for under this Agreement.

(b) If, as a result of an audit hereunder, the Client determines that Contractor has overcharged the Client, it shall notify Contractor of the amount of any overcharge and Contractor shall promptly pay to the Client the amount of such overcharge, plus interest, calculated from the date of receipt by Contractor of such overcharged amount until the date of payment to the Client.

(c) In addition to the Client's rights set forth in subsection (b) above, in the event any such audit reveals an overcharge to the Client of five percent (5%) or more in the aggregate of the Fees paid by the Client during any Contract Year (net of any undercharges in such Contract Year), Contractor shall, at the Client's option, issue to the Client a credit against the Fees, or reimburse the Client, in an amount equal to the cost of such audit.

(d) Contractor shall make available promptly to the Client the results of a review or audit conducted by Contractor, Contractor Agents, or their respective contractors, agents or representatives (including internal and external auditors), relating to Contractor's operating practices and procedures to the extent relevant to the Services or the Client.

## **5.14 Representations and Warranties**

### **5.14.1 Duration of Representations and Warranties**

Each Party agrees that the representations and warranties such Party makes in this Article 5.14 shall be true and accurate as of the Effective Date, during the Term and after expiration or termination of this Agreement as set forth in Section 5.15.

### **5.14.2 Compliance with Laws and Regulations; Consents**

Contractor represents and warrants to the Client that it shall (i) comply with all Contractor Applicable Laws, (ii) ensure that all facilities used by Contractor or Contractor Agents to provide the Services comply with all Applicable Laws, and (iii) obtain all licenses, consents, authorizations and approvals that are necessary to allow Contractor to perform the Services.

### **5.14.3 Authorization**

Each Party represents and warrants to the other Party hereto that: (i) it has full power and authority to enter into this Master Agreement, to grant the rights and licenses herein and to carry out the transactions contemplated by this Master Agreement; (ii) the execution, delivery and performance of this Master Agreement, and the consummation of the transactions contemplated by this Master Agreement, have been duly authorized by all requisite corporate and state action on the part of each Party; and (iii) each Party shall not, and shall cause the Contractor Agents or Client Agents, as the case may be, not to, enter into any arrangement with any third party which could reasonably be expected to abridge any rights of the other Party under this Master Agreement. Each Party represents and warrants to the other Party hereto that its execution, delivery and performance of this Master Agreement will not constitute: (i) a violation of any judgment, order or decree; (ii) a material breach under any material contract by which it or any of its material assets are bound; or (iii) an event that would, with notice or lapse of time, or both, constitute such a breach.

#### 5.14.4 Inducements

Contractor represents and warrants to the Client that no gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by Contractor or any agent or representative of Contractor, to any officer or employee of the Client Group with a view toward securing this Master Agreement or securing favorable treatment with respect to any determinations concerning the performance of this Master Agreement. For breach or violation of this Section, the Client will have the right to terminate this Master Agreement, either in whole or in part.

#### 5.14.5 Absence of Litigation

Contractor represents and warrants to the Client that there is no claim, or any litigation, proceeding, arbitration, investigation or controversy pending to which Contractor, any Contractor affiliate, any or Contractor Agent is a party, relating to the provision of the Services hereunder, and which would have an adverse effect on Contractor's ability to enter into this Master Agreement or Contractor's or any Contractor Agent's ability to perform their respective obligations hereunder and, to the best of Contractor's knowledge, no such claim, litigation, proceeding, arbitration, investigation or material controversy has been threatened or is contemplated.

#### 5.14.6 Work Standards

Contractor represents and warrants to the Client that the Services will be rendered with promptness and diligence, will be executed in a professional and workmanlike manner and will conform to the requirements of this Master Agreement. During the Term of this Master Agreement, Contractor shall, at its sole cost and not as part of the charges for the Services, correct any non-conformity with the foregoing representation and warranty and will use best efforts to do so as expeditiously as possible.

#### 5.14.7 Non-Infringement

Contractor represents and warrants to the Client that it will perform its responsibilities under this Master Agreement in a manner that, and such that the Service, (i) does not infringe, or constitute an infringement, misappropriation or violation of, any copyright or trade secret of any third party, and (ii) to the best of Contractor's knowledge, does not infringe any patent rights or trademarks of any Third Party.

#### 5.14.8 Effect of Breach of Representations and Warranties

The rights and remedies of the Client provided in this Article 5.14 will not be exclusive and are in addition to any other rights and remedies provided by law or under this Master Agreement.

#### 5.14.9 DISCLAIMER

EXCEPT AS SPECIFIED IN THIS MASTER AGREEMENT, NEITHER THE CLIENT NOR CONTRACTOR MAKES ANY WARRANTIES HEREUNDER WITH RESPECT TO THE SERVICES OR THE CASE MANAGEMENT OR ACCOUNTING SYSTEMS OF THE CLIENT GROUP, OR ANY PART THEREOF AND EACH EXPLICITLY DISCLAIMS ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY, NONINFRINGEMENT AND FITNESS FOR A SPECIFIC PURPOSE.

### **5.15 Term and Termination**

#### 5.15.1 Term

The term of this Master Agreement shall commence upon the Effective Date and shall continue in full force and effect for two (2) years (“Initial Term”), unless earlier terminated in accordance with the termination provisions contained in this Master Agreement. The AOC, in its sole discretion, shall have the ability to renew this Master Agreement for up to three (3) additional successive one (1) year periods (each an “Extension Period”).

#### 5.15.2 Termination for Convenience

The AOC may terminate this Master Agreement, in whole or in part, for convenience, from time to time, if the AOC determines that a termination is in the Clients’ interest. The AOC may so terminate this Master Agreement upon written notice to Contractor specifying the extent of termination and the effective date thereof (“Notice of Termination for Convenience”). Contractor agrees that, as to the terminated portion of the Services under this Master Agreement, this Agreement will be deemed to remain in effect until such time as the termination settlement, if any, is concluded and this Master Agreement will not be void.

#### 5.15.3 Termination for Cause

The AOC may, by written notice of breach to Contractor, terminate this Master Agreement in whole or in part if Contractor breaches any of its obligations under this Master Agreement, and does not cure such breach within thirty (30) days of receipt of a notice of breach stating the AOC’s intent to terminate.

The Client’s failure to perform any of its responsibilities set forth in this Master Agreement or Participation Agreement will not be deemed to be grounds for termination by Contractor; provided, however, that Contractor’s nonperformance of its obligations under the Master Agreement will be excused if and to the extent: (i) such Contractor nonperformance results from the Client’s failure to perform its responsibilities; and (ii) Contractor provides the Client with

reasonable notice of such nonperformance and uses commercially reasonable efforts to perform notwithstanding the Client's failure to perform.

## **5.16 Survival**

### 5.16.1 Generally

Termination of this Master Agreement shall not affect the rights and/or obligations of the Parties that arose prior to any such termination (unless otherwise provided herein) and such rights and/or obligations shall survive any such expiration or termination. Except as otherwise specifically set forth in this Master Agreement, the following articles and sections shall survive the expiration or termination of this Master Agreement for any reason, whether in whole or in part: Articles 5.1, 5.14, 5.15, 5.16, 5.17, 5.18, 5.10, 5.22, and Articles 5.23 through 5.43, inclusive, and Sections 5.13.2, 5.18.3, and 5.14.7. All other articles and sections shall terminate upon the expiration or termination of this Master Agreement for any reason, whether in whole or in part, except as provided in Sections 5.16.2 and 5.16.3 below.

### 5.16.2 Termination by the AOC for Convenience and Termination by Contractor for Cause

If this Master Agreement is terminated, whether in whole or in part, by (i) the AOC pursuant to Section 5.15.2 or (ii) Contractor pursuant to Section 5.15.3, in addition to the surviving articles, the following articles and sections shall survive: (1) Articles 5.2, 5.6, 5.7, and 5.12 (all of these Articles shall survive only with respect to those Services that Contractor continues to be obligated to provide); (2) Articles 5.11 and 5.21 (all of these Articles shall survive only for so long as Contractor is obligated to provide some Services); and (3) Sections 5.13, 5.14.2, 5.14.3, 5.14.4, 5.14.5, 5.14.6 and 5.14.7 (all of these Sections shall survive only with respect to Services that Contractor continues to be obligated to provide).

### 5.16.3 Termination by the AOC for Cause.

If this Master Agreement is terminated, whether in whole or in part, by the AOC pursuant to Section 5.15.3, the articles and sections set forth in Section 5.16 shall survive, and the articles and sections set forth in Section 5.16.2 shall survive for the applicable periods set forth in Section 5.16.2.

## **5.17 Data, Communications and Records**

### 5.17.1 Ownership of Client Data

All Client Data provided by the Client Group and Client Agents is and will remain the property of the Client Group and Client Agents, respectively, or their respective contractors and agents, as applicable. As between the Client and the Contractor, the Client shall have all right, title and interest, including

worldwide ownership of trade secret rights, copyright and patents, in and to the Client Data and all copies made from it. Except as set forth herein, without the Client's approval (in its sole discretion), the Client Data shall not be (i) used by Contractor or Contractor Agents other than in connection with providing the Services, (ii) disclosed, sold, assigned, leased or otherwise provided to third parties by Contractor or Contractor Agents or (iii) commercially exploited by or on behalf of Contractor or Contractor Agents.

#### 5.17.2 Correction of Errors

At Contractor's expense, Contractor shall promptly correct any errors or inaccuracies in the Client Data and the reports delivered under this Master Agreement, to the extent such errors or inaccuracies were caused by Contractor or Contractor Agents. At the Client's request and expense, Contractor shall promptly correct any other errors or inaccuracies in the Client Data or such reports in accordance with applicable Client policies and procedures.

#### 5.17.3 Return of Data

From time to time and upon the Client's request, the Client Data will be returned to the Client in a form acceptable to the Client, or if the Client so elects, will be destroyed; provided that if Contractor's ability to perform the Services as provided herein are adversely affected thereby, Contractor shall be excused from its performance with respect thereto only to the extent of such adverse effect.

### 5.18 Confidentiality

#### 5.18.1 General Obligations

All financial, statistical, personal, technical and other data and information which are designated confidential by a Party ("Disclosing Party"), or, if not so designated, is nonpublic information that under the circumstances surrounding disclosure ought to be treated as confidential, and made available to the other Party ("Receiving Party") in order to carry out the Agreement, or which become available to the Receiving Party in carrying out the Agreement ("Confidential Information") will remain the property of the Disclosing Party. All Client Data shall be deemed Confidential Information of the Client or the County, as applicable. The Receiving Party shall protect the Confidential Information of the Disclosing Party from unauthorized use and disclosure and shall use at least the same degree of care, but no less than a reasonable degree of care, to safeguard the Confidential Information of the Disclosing Party as it employs with respect to its own information of a similar nature. Notwithstanding any other provision of this Article 5.18, with respect to disclosures to the Client Group and Client Agents, the Client's compliance with this Article 5.18 shall (i) be subject to the Client Group's and each Client Agent's compliance with all Applicable Laws, and (ii) only apply if the AOC's Business Services Manager consents in writing in advance, on a disclosure-by-disclosure basis, that the

disclosure will be protected as set forth in this Article 5.18, which consent shall not be unreasonably withheld. The Receiving Party shall require that its employees, agents and subcontractors comply with the confidentiality restrictions of this Master Agreement. Subject to the provisions of this Article 5.18, the Client may disclose Contractor Confidential Information to its subcontractors and consultants as reasonably necessary for the conduct of the Client Group's business, provided that such subcontractor or consultant has signed a reasonable nondisclosure agreement. In the event of unauthorized disclosure or loss of Confidential Information, the Receiving Party shall immediately notify the Disclosing Party in writing. The obligations in this Section shall not restrict any disclosure pursuant to any applicable law or by order of any court or government agency (provided that the Receiving Party shall give prompt notice to the Disclosing Party of such order in such time as to permit the Disclosing Party to participate in the response to any such order) and shall not apply with respect to information that (1) is independently developed by the Receiving Party without violating the Disclosing Party's proprietary rights as shown by the Recipient's written records, (2) is or becomes publicly known (other than through unauthorized disclosure), (3) is disclosed by the owner of such information to a third party free of any obligation of confidentiality, (4) is already known by the Receiving Party at the time of disclosure, as shown by the Recipient's written records, and the Receiving Party has no obligation of confidentiality other than pursuant to this Master Agreement or any confidentiality agreements entered into before the Effective Date between Client and Contractor, (5) is rightfully received by the Receiving Party free of any obligation of confidentiality, or (6) with respect solely to a particular disclosure, such disclosure is approved in writing by the Disclosing Party.

#### 5.18.2 Unauthorized Acts

Without limiting either Party's rights in respect of a breach of this Article, the Receiving Party shall:

(i) immediately notify the Disclosing Party of any unauthorized possession, use or knowledge, or attempt thereof, of the Confidential Information by any person or entity that may become known to the Receiving Party;

(ii) immediately furnish to the Disclosing Party the details of the unauthorized possession, use or knowledge, or attempt thereof, known by the Receiving Party and assist the Disclosing Party in investigating or preventing the recurrence of any unauthorized possession, use or knowledge, or attempt thereof, of Confidential Information;

(iii) cooperate with the Disclosing Party in any litigation and investigation against Third Parties deemed necessary by the Disclosing Party to protect its proprietary rights; and

(iv) immediately use its commercially reasonable efforts to prevent a recurrence of any such unauthorized possession, use or knowledge, or attempt thereof, of Confidential Information.

#### 5.18.3 Return of Confidential Information

From time to time and upon the Client's request, the Confidential Information of the Client Group, including copies thereof, will be returned to the Client Group, or if the Client so elects, will be destroyed.

### 5.19 Indemnities

#### 5.19.1 General Indemnity

Contractor shall indemnify, defend and save harmless the Client and the Client Group and their respective officers, agents and employees from and against any and all losses, costs, including reasonable attorneys' fees, liabilities, damages, and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all third party claims: (i) caused by or resulting in whole or in part from Contractor's acts or omissions constituting bad faith, willful misconduct, gross negligence or reckless disregard of its duties under this Master Agreement; (ii) accruing or resulting to any and all contractors, subcontractors, suppliers, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this Master Agreement; (iii) arising out of or related to Contractor's breach of its confidentiality obligations under this Master Agreement; (iv) arising out of any violation by Contractor or its employees or Contractor Agents of any Contractor Applicable Law or the reasonable policies and procedures adopted in writing and provided to the Contractor from time to time during the Term of this Master Agreement or the Termination Assistance Period that it is obligated to comply with hereunder; or (v) arising out of or related to a breach of Contractor's representations and warranties with respect to itself and Contractor Agents as set forth in Article 5.14. Notwithstanding any negligence on the part of the Client or the Client Group, Contractor shall perform its obligations under this Section 5.19.1 to the extent such damages did not arise from the negligence of the Client Group or Client Agents.

#### 5.19.2 Intellectual Property Indemnity

Contractor shall indemnify, defend and save harmless the Client Group, Client Agents and their respective officers, agents and employees from and against any and all losses, costs, including reasonable attorneys' fees, liabilities, damages, and deficiencies, including interest, penalties and settlement amounts entered into, in each case, with respect to any and all Third Party claims which arise out of any actual or alleged infringement or misappropriation of any patent, trade secret, copyright or other proprietary rights by (including use of) the software, systems, or other subject matter provided by Contractor or Contractor



Agents to the Client Group or Client Agents under this Master Agreement (collectively, the “Covered Items”). The Client will notify Contractor in writing within thirty (30) days of the Client’s first knowledge of such claim.

If any Covered Items are held to, or the Client or Contractor believe they may, infringe any third party intellectual property rights, then Contractor shall at the Client’s request: (1) obtain for the Client Group and Client Agents (including their respective subcontractors) the right to continue to use such Covered Items as provided in this Master Agreement; or (2) replace or modify such Covered Items so as to make them non-infringing, provided that the replacement materials or modified Covered Items provide functionality substantially the same as the unmodified Covered Items. Contractor shall have no liability for any claim of infringement under this Section 5.19.2 to the extent based on (i) the use of a superseded or altered release of any Covered Items by the Client if the infringement could have been avoided by the use of the current unaltered release of such Covered Items that Contractor provided to the Client and the Client had agreed in advance to install; (ii) the use of such Covered Items by the Client other than in accordance with their specifications as delivered in writing in advance to the Client by Contractor, (iii) use of information or materials not provided by Contractor with the Covered Items (unless such information or materials were approved by Contractor or the Covered Items were intended to be used with such information or materials), if the infringement could have been avoided by the use of the Covered Items alone; or (iv) Covered Items necessarily created to meet Client-designed specifications, without the use of the Contractor's judgment. The provisions of Section 5.14.7 and this Section 5.19.2 set forth the entire obligation of Contractor, and the Client’s sole remedy(ies), with respect to any claim or matter with regard to intellectual property or proprietary rights infringement by the Covered Items.

#### 5.19.3 Personal Injury and Tangible Property Damage by Contractor

Contractor will indemnify, defend and save harmless the Client Group, Client Agents and their respective officers, agents and employees from any and all Third Party liability of any nature or kind, including any losses, costs, liabilities, damages, settlement amounts entered into an deficiencies, including interest, penalties and reasonable attorneys' fees, on account of personal injuries, death, or damage to tangible personal or real property in any way incident to, or in connection with, or arising out of the negligence of Contractor or Contractor Agents. Notwithstanding any negligence or willful misconduct on the part of the Client, Contractor shall perform its obligations under this Section 5.19.3 to the extent such damages did not arise from the negligence of the Client.

#### 5.20 Limitation of Liability

IN NO EVENT WILL THE CLIENT GROUP OR ANY CLIENT AGENT BE LIABLE FOR ANY INDIRECT, INCIDENTAL, SPECIAL, EXEMPLARY, PUNITIVE, OR CONSEQUENTIAL DAMAGES WHETHER

IN AN ACTION IN CONTRACT OR TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), INCLUDING WITHOUT LIMITATION LOST DATA, PROFITS, AND REVENUES, EVEN IF ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

IN NO EVENT WILL THE CLIENT GROUPS' AND ANY CLIENT AGENT'S AGGREGATE LIABILITY FOR DIRECT DAMAGES TO CONTRACTOR ARISING OUT OF OR RELATED TO THIS MASTER AGREEMENT FOR ANY CAUSE WHATSOEVER, AND REGARDLESS OF THE FORM OF ACTION, WHETHER IN CONTRACT OR IN TORT (INCLUDING NEGLIGENCE AND STRICT LIABILITY), EXCEED THE AMOUNTS PAYABLE HEREUNDER IN THE TWELVE MONTHS PRIOR TO THE DATE THE CAUSE OF ACTION AROSE.

THE LIMITATIONS OF LIABILITY CONTAINED IN THIS ARTICLE 5.20 REFLECT A DELIBERATE AND BARGAINED FOR ALLOCATION OF RISKS BETWEEN THE PARTIES AND ARE INTENDED TO BE INDEPENDENT OF ANY EXCLUSIVE REMEDIES AVAILABLE UNDER THIS MASTER AGREEMENT, INCLUDING ANY FAILURE OF SUCH REMEDIES TO ACHIEVE THEIR ESSENTIAL PURPOSE.

THE LIMITATIONS OF LIABILITY CONTAINED IN THIS ARTICLE 5.20 REFLECT A DELIBERATE AND BARGAINED FOR ALLOCATION OF RISKS BETWEEN THE PARTIES AND ARE INTENDED TO BE INDEPENDENT OF ANY EXCLUSIVE REMEDIES AVAILABLE UNDER THIS AGREEMENT, INCLUDING ANY FAILURE OF SUCH REMEDIES TO ACHIEVE THEIR ESSENTIAL PURPOSE.

## **5.21 Insurance Requirements**

### 5.21.1 Insurance

When performing work on property in the care, custody or control of the AOC Group and AOC Agents, Contractor shall maintain the following insurance:

(i) Commercial general liability insurance, including bodily injury, property damage and products/completed operations coverage in the amount of not less than one million dollars (\$1,000,000) each occurrence/\$2,000,000 aggregate where applicable;

(ii) Workers' Compensation coverage providing statutory benefits, and employer's liability insurance with minimum limits of one million dollars (\$1,000,000) each accident/each employee covering all employees;

(iii) Business auto liability, including coverage for all owned, hired and non-owned automobiles used in connection with delivery of the Services, with limits of not less than one million dollars \$1,000,000 each accident;

(iv) Errors and Omissions Liability insurance appropriate to the Contractor's profession. Coverage shall be for a professional error, act or omission arising out of the scope of services shown in the Contract with limits not less than \$1,000,000 each claim/\$2,000,000 aggregate;

(v) Commercial Crime insurance with Fidelity limits not less than \$2,000,000 per claim, Forgery limits not less than \$1,000,000 per claim, and Theft limits not less than \$1,000,000 per claim or a Fidelity Bond as specified in Section 5.21.3; and

(vi) Contractor shall furnish separate certificates of insurance for each subcontractor. Insurance coverages provided by subcontractors as evidence of compliance with the insurance requirements of this Section 5.21.1 shall be subject to all of the requirements stated herein except for professional errors and omissions liability insurance.

(vii) All insurance which Contractor is obligated to carry pursuant to this Master Agreement, shall (i) with respect to commercial general liability and business auto liability insurance, be endorsed to name the Client Group as an additional named insured, and (ii) require the insurer to provide at least thirty (30) days prior written notice to the AOC of cancellation. For full coverage, each insurance policy shall be written on an "occurrence" form. Contractor shall cause its insurers to issue to the AOC on or before the Effective Date certificates of insurance evidencing that the coverages required under this Master Agreement are maintained in force. The insurers selected by Contractor shall be reputable and financially responsible insurance carriers, with a Best's minimum rating of "A+" (or any future equivalent).

#### 5.21.2 Risk of Loss

Each Party will be responsible for the risk of loss of, and damage to, any equipment, software, facilities and other materials while in its possession or under its control.

#### 5.21.3 Bond (in lieu of Commercial Crime insurance policy as described in Section 5.21.1.v)

The Contractor must provide a Comprehensive Dishonesty, Disappearance and Destruction (3-D) bond ("Bond") to cover each Vendor employee in the amount of \$2,000,000 for Employee Dishonesty and \$25,000 for Depositor's Forgery. Contractor must provide the AOC with 30 days' advance

notice of expiration of the Bond to: Administrative Office of the Courts, Business Services Manager, 455 Golden Gate Ave., 7<sup>th</sup> Floor, San Francisco, CA 94104. Contractor shall also provide the AOC with an copy of the actual bond certification prior to Contractor beginning any Service.

## **5.22 Dispute Resolution**

The Parties shall attempt in good faith to resolve potential disputes informally and promptly. If a dispute persists, either Party may submit a written demand to the other Party at the earliest practicable time that the dispute is identified (the “Demand”). The Demand shall: (i) be fully supported by detailed factual information; (ii) state the specific Agreement provisions on which the Demand is based; and (iii) if the Demand involves a cost adjustment, state the exact amount of the cost adjustment accompanied by all records supporting the Demand. The Demand shall include a written statement signed by an authorized person indicating that the Demand is made in good faith, that the supporting data are accurate and complete, and that the amount requested accurately reflects the adjustment for which the submitting Party believes the other Party is responsible. To assist the other Party in its review of the Demand, the submitting Party shall comply with reasonable requests for additional information. The receiving Party shall provide a written response to the submitting Party’s Demand stating a decision as to whether the receiving Party accepts or rejects the Demand. Failure by the receiving Party to provide such a response shall be deemed a decision by the receiving Party constituting a rejection of the Demand.

## **5.23 References**

In this Agreement and the Exhibits:

(i) the Exhibits shall be incorporated into and deemed part of this Agreement and all references to this Agreement shall include the Exhibits;

(ii) references to any Applicable Law means references to such Applicable Law in changed or supplemented form or to a newly adopted Applicable Law replacing a previous Applicable Law; and

(iii) references to and mentions of the word “including” or the phrase “e.g.” means “including, without limitation.”

## **5.24 Headings**

The Article and Section headings and the Table of Contents are for reference and convenience only and shall not be considered in the interpretation of this Master Agreement.

**5.25 Interpretation of Documents**

In the event of a conflict between this Agreement and the terms of any of the Exhibits, the terms of this Master Agreement shall prevail.

**5.26 National Labor Relations Board Certification**

By executing this Master Agreement, Contractor certifies under penalty of perjury under the laws of the State of California that no more than one final, unappealable finding of contempt of court by a federal court has been issued against Contractor within the immediately preceding two-year period because of Contractor's failure to comply with an order of the National Labor Relations Board. This provision is required by, and will be construed in accordance with California Public Contract Code (PCC) Section 10296.

**5.27 Nondiscrimination/No Harassment Clause**

During the performance of this Master Agreement, Contractor and Contractor Agents shall not unlawfully discriminate, harass or allow harassment against any employee or applicant for employment because of sex, sexual orientation, race, color, ancestry, religious creed, national origin, disability (including HIV and AIDS), medical condition, age (over 40), marital status, or request for family care leave. Contractor and Contractor Agents shall insure that the evaluation and treatment of their employees and applicants for employment are free from such discrimination and harassment. Contractor and Contractor Agents shall comply with the provisions of the Fair Employment and Housing Act (California Government Code, Section 12990 *et seq.*) and applicable regulations promulgated thereunder (California Code of Regulations, Title 2, Section 7285.0 *et seq.*). The applicable regulations of the Fair Employment and Housing Commission implementing California Government Code Section 12990 (a-f) set forth in Chapter 5 of Division 4 of Title 2 of the California Code of Regulations is incorporated into this Agreement by reference and made a part hereof as if set forth in full. Contractor and Contractor Agents shall give written notice of their obligations under this clause to labor organizations with which they have a collective bargaining or other contract. Contractor shall include the nondiscrimination and compliance provisions of this clause in all subcontracts to perform work under this Agreement.

**5.28 Americans with Disabilities Act**

Contractor shall assure the AOC and the Client that it complies with all applicable provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.*) ("ADA") which prohibits discrimination on the basis of disability, as well as all applicable regulations and guidelines issued pursuant to the ADA.

**5.29 Public Contract Code References**

References to the California Public Contract Code herein are provided for Contractor’s convenience only and shall not imply that the California Public Contract Code applies to the Client, but rather shall be used when referenced to define Contractor’s obligations under the particular provision in which such code section is referenced.

**5.30 Assignment**

The Master Agreement will not be assignable by either Party in whole or in part (whether by operation of law or otherwise) without the written consent of the other Party; provided that the AOC may, without the Contractor’s consent, assign this Master Agreement or any of its rights or delegate any of its duties under this Master Agreement to any state or local government entity or agency in California. Any assignment made in contravention of the foregoing shall be void and of no effect. Subject to the foregoing, this Master Agreement will be binding on the Parties and their permitted successors and assigns.

**5.31 Notices**

Any notice required or permitted under the terms of this Master Agreement or required by law must be in writing and must be (a) delivered in person, (b) sent by registered or certified mail, or (c) sent by overnight air courier, in each case properly posted and fully prepaid to the appropriate address set forth below:

If to Contractor:	If to the AOC:
	Judicial Council of California Administrative Office of the Courts Attention: Business Services Manager 455 Golden Gate Ave. San Francisco, CA 94102

Either Party may change its address for notification purposes by giving the other Party written notice of the new address in accordance with this Section. Notices will be considered to have been given at the time of actual delivery in person, three (3) Business Days after deposit in the mail as set forth above, or one (1) day after delivery to an overnight air courier service.

**5.32 Independent Contractors**

Contractor and Contractor Agents in the performance of this Master Agreement shall act in an independent capacity and not as officers or employees or agents of the Client Group or Client Agents. Neither the making of this Master Agreement nor the performance of its provisions shall be construed to constitute either of the Parties hereto as an agent, employee, partner, joint venturer, or legal representative of the other, and the relationship of the Parties under this Master

Agreement is that of independent contractors. Neither Party shall have any right, power or authority, express or implied, to bind the other.

**5.33 Consents and Approvals**

All consents and approvals to be given by either Party under this Master Agreement shall not be unreasonably withheld or delayed, and such consents and approvals will not be construed as relieving a Party of its obligations or as a waiver of its rights under this Master Agreement.

**5.34 Covenant of Further Assurances**

The AOC and Contractor covenant and agree that, subsequent to the execution and delivery of this Master Agreement and, without any additional consideration, each of the AOC and Contractor shall execute and deliver any further legal instruments and perform any acts that are or may become necessary to effectuate the purposes of this Master Agreement.

**5.35 Severability**

The provisions of this Master Agreement shall be effective in all cases unless otherwise prohibited by Applicable Law. The provisions of this Master Agreement are separate and severable. The invalidity of any Article, Section, provision, paragraph, sentence or portion of this Master Agreement shall not affect the validity of the remainder of this Master Agreement.

**5.36 Waiver of Rights**

Any action or inaction by either Party or the failure of either Party on any occasion, to enforce any right or provision of this Master Agreement, will not be construed to be a waiver by such Party of its rights under this Master Agreement and will not prevent such Party from enforcing such provision or right on any future occasion. Except as set forth herein, the rights and remedies of each Party under this Master Agreement will be cumulative and in addition to any other rights or remedies that such Party may have at law or in equity.

**5.37 Publicity**

Unless otherwise exempted, news releases and other public disclosures pertaining to this Master Agreement will not be made without prior written approval of the AOC's Business Services Manager.

**5.38 Third Party Beneficiaries**

Except as otherwise provided by this Master Agreement with respect to the Client Group and Client Agents, each Party intends that this Master Agreement shall not benefit, or create any right or cause of action in or on behalf of, any person or entity other than the Parties.

**5.39 Governing Law and Venue**

The Master Agreement and performance under it will be exclusively governed by the laws of the State of California without regard to its conflict of law provisions and Contractor hereby irrevocably submits to the exclusive jurisdiction of the state and federal district courts located in San Francisco, California in any legal action concerning or relating to this Master Agreement.

**5.40 Negotiated Terms**

The Parties agree that the terms and conditions of this Master Agreement are the result of negotiations between the Parties and that this Master Agreement shall not be construed in favor of or against any Party by reason of the extent to which any Party or its professional advisors participated in the preparation of this Master Agreement.

**5.41 Amendments**

Alteration or variation of the terms of this Master Agreement shall not be valid unless made pursuant to an amendment signed by the Parties, and any oral understanding or agreement that is not so incorporated shall not be binding on any of the Parties. To be effective, proposed changes or amendments to this Master Agreement must be (i) submitted in writing, (ii) accompanied by a narrative description of the proposed change and the reasons for the change, and (iii) approved in writing by both Parties.

**5.42 Entire Agreement**

This Master Agreement and the Exhibits to this Agreement constitute the entire agreement and final understanding of the Parties with respect to the subject matter hereof and supersedes and terminates any and all prior and/or contemporaneous negotiations, representations, understandings, discussions, offers and/or agreements between the Parties, whether written or verbal, express or implied, relating in any way to the subject matter hereof. Notwithstanding the foregoing, neither the AOC nor Contractor shall be relieved of any of its respective obligations with respect to any information subject to the terms of any confidentiality agreement entered into by the AOC and Contractor prior to the Effective Date.

**5.43 Counterparts**

This Master Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but taken together, all of which shall constitute one and the same Master Agreement.



**APPENDIX A-1  
PRICING PROPOSAL FOR PART ONE SERVICES**

<b>Traffic Matters (Failure to Appear) – Commission Fees</b>							
<b>Volume (\$)<sup>1</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Traffic Matters (Failure to Pay) – Commission Fees</b>							
<b>Volume (\$)<sup>1</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Misdemeanor Criminal Matters (Failure to Appear) – Commission Fees</b>							
<b>Volume (\$)<sup>1</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

I. \_\_\_\_\_

<sup>1</sup> Vendor must indicate dollar volume at which commission fee changes

<b>Misdemeanor Criminal Matters (Failure to Pay) – Commission Fees</b>							
<b>Volume (\$)<sup>2</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Felony Criminal Matters (Failure to Pay) – Commission Fees</b>							
<b>Volume (\$)<sup>2</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Attorney and Public Defender Fees – Commission Fees</b>							
<b>Volume (\$)<sup>2</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

I. \_\_\_\_\_

<sup>2</sup> Vendor must indicate dollar volume at which commission fee changes

<b>Civil Fees – Commission Fees</b>							
<b>Volume (\$)<sup>3</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Probation Fees – Commission Fees</b>							
<b>Volume (\$)<sup>3</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

<b>Victim Restitution – Commission Fees</b>							
<b>Volume (\$)<sup>3</sup></b>	<b>Newly Delinquent</b>	<b>Up to 1 year old</b>	<b>1 to 2 years old</b>	<b>2 to 3 years old</b>	<b>3 to 4 years old</b>	<b>4 to 5 years old</b>	<b>Over 5 years old</b>

Fee for option services as described in Section 4.11, Other Services: \_\_\_\_\_

I. \_\_\_\_\_

<sup>3</sup> Vendor must indicate dollar volume at which commission fee changes

**APPENDIX A-2  
PRICING PROPOSAL FOR PART TWO SERVICES**

<b>Volume (\$) <sup>4</sup></b>	<b>Traffic Matters (Failure to Appear) – Commission Fees</b>

<b>Volume (\$) <sup>4</sup></b>	<b>Traffic Matters (Failure to Pay) – Commission Fees</b>

<b>Volume (\$) <sup>4</sup></b>	<b>Misdemeanor Criminal Matters (Failure to Appear) – Commission Fees</b>

<b>Volume (\$) <sup>4</sup></b>	<b>Misdemeanor Criminal Matters (Failure to Pay) – Commission Fees</b>

I. \_\_\_\_\_

<sup>4</sup> Vendor must indicate dollar volume at which commission fee changes

<b>Volume (\$) <sup>5</sup></b>	<b>Felony Criminal Matters (Failure to Pay) – Commission Fees</b>

<b>Volume (\$) <sup>5</sup></b>	<b>Attorney and Public Defender Fees – Commission Fees</b>

<b>Volume (\$) <sup>5</sup></b>	<b>Civil Fees – Commission Fees</b>

<b>Volume (\$) <sup>5</sup></b>	<b>Probation Fees – Commission Fees</b>

I. \_\_\_\_\_

<sup>5</sup> Vendor must indicate dollar volume at which commission fee changes

<b>Volume (\$) <sup>6</sup></b>	<b>Victim Restitution – Commission Fees</b>

I. \_\_\_\_\_

<sup>6</sup> Vendor must indicate dollar volume at which commission fee changes

**APPENDIX B  
VENDOR CERTIFICATION FORM**

**CONFIDENTIAL**

**I certify that neither \_\_\_\_\_ (Bidder) nor any of its proposed subcontractors are currently under suspension or debarment by any state or federal government agency, and that neither Bidder nor any of its proposed subcontractors are tax delinquent with the State of California. I have listed all contracts with government or commercial customers during the five years preceding submission of this Proposal that have been terminated for cause or default. I have also provided a list of all pending criminal litigation.**

**I acknowledge that if Bidder or any of its subcontractors subsequently are placed under suspension or debarment by a local, state or federal government entity, or if Bidder or any of its subcontractors subsequently become delinquent in California taxes, our Proposal may be disqualified.**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Printed Name**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Date**

VENDOR CERTIFICATION FORM (CONTINUED)

**List of all Contracts with Government or Commercial Customers**  
**during the Five Years preceding Submission of this Proposal**  
**that have been Terminated for Cause or Default**

**CONFIDENTIAL**



APPENDIX C  
REPORT SAMPLES

Acknowledgement Report – [Category] - Date XXXXXX

Acknowledgement of Referrals Received			
Case Number	Last Name, First Name, MI	Appearance or Fine Due Date	Bail/Fine Amount
<b>Total Item Count</b>			<b>Total Amount Referred</b>

Daily Payment Transmittal Report – [Category] - Date XXXXXX

Payment ID		Payment Application					Payment Distribution			
NAME Last, First MI	Case #	Bail/Fine Amount	Assessment Amount	Comm. Expense	Payment Total	Amount Referred	Previous Amt Paid	Payment Amount	Total Paid	Balance Due
<b>Total</b>		\$	\$	\$	\$	\$	\$	\$	\$	\$

Daily Adjustment Report (Date)

<b>NAME Last, First MI</b>	<b>Case #</b>	<b>Adj. Code</b>	<b>Original Bail or Fine Amount</b>	<b>New Bail or Fine Amount</b>	<b>Change (+/-)</b>	<b>Original Civil Assessment Amount</b>	<b>New Civil Assessment Amount</b>	<b>Change (+/- )</b>	<b>Net Change (+/-)</b>
			<b>Total</b>	<b>Total</b>	<b>Calc</b>	<b>Total</b>	<b>Total</b>	<b>Calc</b>	

**Summary of Account Activity**  
For the Period of \_\_\_\_\_

	<b>No. of Accounts</b>	<b>Bail or Fine</b>	<b>Assessment</b>	<b>TOTAL</b>
<b>Account Category: Group ID</b>				
Beginning Balance (+)				
Accounts Transferred to Vendor (+)				
Accounts Paid in Full (-)				
Accounts satisfied by Adjustments (-)				
Accounts returned as uncollectable (-)				
Ending Balance				
Accounts with Partial Payments				
Accounts with Partial Adjustments				
<b>SUBTOTAL</b>				
Repeat for Each Category				
<b>TOTAL</b>				



**APPENDIX D**  
**SAMPLING OF DISCHARGED OR ABOUT-TO-BE DISCHARGED ACCOUNTS**

*See Separate File*