

**SERIAL 14126 RFP DEBT COLLECTION SERVICES**  
**Contract - GILA LLC D/B/A MUNICIPAL SERVICES BUREAU**

**DATE OF LAST REVISION: June 04, 2015**

**CONTRACT END DATE: May 31, 2018**

**CONTRACT PERIOD THROUGH MAY 31, 2018**

**TO:** All Departments  
**FROM:** Office of Procurement Services  
**SUBJECT:** Contract for **DEBT COLLECTION SERVICES**

Attached to this letter is published an effective purchasing contract for products and/or services to be supplied to Maricopa County activities as awarded by Maricopa County on **June 04, 2015**.

All purchases of products and/or services listed on the attached pages of this letter are to be obtained from the vendor holding the contract. Individuals are responsible to the vendor for purchases made outside of contracts. The contract period is indicated above.

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Wes Baysinger, Chief Procurement Officer  
Office of Procurement Services

LA/mm  
Attach

Copy to: Office of Procurement Services  
Kim Knox, Finance Department  
John Werbach, Library District

(Please remove Serial 08099-RFP from your contract notebooks)



## CONTRACT PURSUANT TO RFP

**SERIAL 14126-RFP**

This Contract is entered into this 4th day of June, 2015 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Gila LLC, DBA: Municipal Service Bureau (MSB), ("Contractor") for the purchase of Debt Collections Services.

### 1.0 CONTRACT TERM:

- 1.1 This Contract is for a term of Three (3) years, beginning on the 4<sup>th</sup> day of June, 2015 and ending the 31<sup>st</sup> day of May, of 2018.
- 1.2 The County may, at its option and with the agreement of the Contractor, renew the term of this Contract for additional terms up to a maximum of Two (2) years, (or at the County's sole discretion, extend the contract on a month-to-month bases for a maximum of six (6) months after expiration). The County shall notify the Contractor in writing of its intent to extend the Contract term at least sixty (60) calendar days prior to the expiration of the original contract term, or any additional term thereafter.

### 2.0 FEE ADJUSTMENTS:

- 2.1 Any request for a fee adjustment must be submitted sixty (60) days prior to the current Contract expiration. Requests for adjustment in cost of labor and/or materials must be supported by appropriate documentation. If County agrees to the adjusted fee, County shall issue written approval of the change. The reasonableness of the request will be determined by comparing the request with the (Consumer Price Index) or by performing a market survey.

### 3.0 PAYMENTS:

- 3.1 For all accounts referred by the County, unless otherwise instructed, the Contractor's collection fee shall be added by the Contractor to the principal amount of the debt, collected by the Contractor from the debtor, and deducted by the Contractor prior to remitting the principal amount to the County, as presently authorized by state law and an enabling Court order.
- 3.2 Should there be changes in laws or County policy that allows a different method for recovering Contractor collection fee, the Contractor shall modify its methods accordingly, upon instruction from the County.
- 3.3 The Contractor shall accrue interest on outstanding balances at the same rate of the principal per annum upon assignment to collections from the County and only while in active collection status. All interest collected will be remitted to the County.
- 3.4 If an account is reduced or cancelled by the County, no collection fee will be due the Contractor for the amount so reduced or cancelled.
- 3.5 The Contractor and Maricopa County Library District have established internal procedures to monitor and exercise payments to the Contractor. The Contractor shall remit to the Library District the principal amount including collection fees owes to the Contractor. The District will in turn pay fees owed to the Contractor as established in the contract.

3.6 Payment shall be made upon the County's receipt of a properly completed invoice if applicable.

3.7 REMITTANCE:

3.7.1 The Contractor shall be entitled to fees that are calculated by adding the percentage from Attachment A of the debt originally received from the County to the owed balance. Contractor shall not charge any fees to the debtor other than those specified in this Section.

3.7.2 The fee structure will be expressed as percentages (%) of actual monies collected. All fees paid to the County by the Contractor depend on the amount of money collected. The total allowable fee per account shall represent a flat fee calculated by multiplying the collection fee percentage times the total County obligation referred for collection on that account. When the debtor makes multiple payments, the portion of each payment paid to the Contractor shall be proportional to the amount of the County obligation being paid. Example: County obligation of \$500 x collection percentage of 19% = \$95. \$500 County obligation + \$95 collection fee = \$595 due. The County would get 84.03% of each partial payment and the Contractor would get 15.97%. ( $\$500/\$595 = 84.03\%$ .)

3.7.3 Payments made by personal check will be subject to a three (3) day holdover by the Contractor prior to remittance. Any charges resulting from a returned personal check or a debtor due to insufficient funds (NSF) will be the responsibility of the Contractor, not the County. Contractor will include a separate computerized ledger of payments received and debtor information for each category of account receivable and this information will accompany the check. The Contractor shall remit the NET amount collected for each month as described above.

3.8 INVOICES:

3.8.1 The Contractor shall submit in a manner acceptable to the County one (1) legible copy of their detailed invoice before payment(s) can be made. At a minimum, the invoice must provide the following information:

- Company name, address and contact
- County bill-to name and contact information
- Contract serial number
- County purchase order number
- Invoice number and date
- Payment terms
- Date of service or delivery
- Contract Item number(s)
- Description of service provided
- Extended price
- Total Amount Due

3.8.2 Problems regarding billing or invoicing shall be directed to the County as listed on the Purchase Order.

3.8.3 Payment shall be made to the Contractor by Accounts Payable through the Maricopa County Vendor Express Payment Program. This is an Electronic Funds Transfer (EFT) process. After Contract Award the Contractor shall complete the Vendor Registration Form located on the County Department of Finance Vendor Registration Web Site (<http://www.maricopa.gov/Finance/Vendors.aspx>).

3.8.4 EFT payments to the routing and account numbers designated by the Contractor will include the details on the specific invoices that the payment covers. The Contractor is required to discuss remittance delivery capabilities with their designated financial institution for access to those details.

3.9 APPLICABLE TAXES:

- 3.9.1 **Payment of Taxes:** The Contractor shall pay all applicable taxes. With respect to any installation labor on items that are not attached to real property performed by Contractor under the terms of this Contract, the installation labor cost and the gross receipts for materials provided shall be listed separately on the Contractor's invoices.
- 3.9.2 **State and Local Transaction Privilege Taxes:** Maricopa County is subject to all applicable state and local transaction privilege taxes. To the extent any state and local transaction privilege taxes apply to sales made under the terms of this contract\_it is the responsibility of the seller to collect and remit all applicable taxes to the proper taxing jurisdiction of authority.
- 3.9.3 **Tax Indemnification:** Contractor and all subcontractors shall pay all Federal, state, and local taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold Maricopa County harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under Federal, and/or state and local laws and regulations and any other costs including transaction privilege taxes, unemployment compensation insurance, Social Security and Worker's Compensation.

3.10 TAX: (SERVICES)

No tax shall be levied against labor. It is the responsibility of the Contractor to determine any and all taxes and include the same in proposal price.

3.11 STRATEGIC ALLIANCE for VOLUME EXPENDITURES (\$AVE):

- 3.11.1 The County is a member of the \$AVE cooperative purchasing group. \$AVE includes the State of Arizona, many Phoenix metropolitan area municipalities, and many K-12 unified school districts. Under the \$AVE Cooperative Purchasing Agreement, and with the concurrence of the successful Respondent under this solicitation, a member of \$AVE may access a contract resulting from a solicitation issued by the County. If you **do not** want to grant such access to a member of \$AVE, **please so state** in your proposal. In the absence of a statement to the contrary, the County will assume that you do wish to grant access to any contract that may result from this Request for Proposal.

3.12 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

- 3.12.1 County currently holds ICPA's with numerous governmental entities throughout the State of Arizona. These agreements allow those entities, with the approval of the Contractor, to purchase their requirements under the terms and conditions of the County Contract. Please indicate on Attachment A, your acceptance or rejection regarding such participation of other governmental entities. Your response will not be considered as an evaluation factor in awarding a contract.

4.0 AVAILABILITY OF FUNDS:

- 4.1 The provisions of this Contract relating to payment for services shall become effective when funds assigned for the purpose of compensating the Contractor as herein provided are actually available to County for disbursement. The County shall be the sole judge and authority in determining the availability of funds under this Contract. County shall keep the Contractor fully informed as to the availability of funds.
- 4.2 If any action is taken by any state agency, Federal department or any other agency or instrumentality to suspend, decrease, or terminate its fiscal obligations under, or in connection with, this Contract, County may amend, suspend, decrease, or terminate its obligations under, or in connection with, this Contract. In the event of termination, County shall be liable for payment

only for services rendered prior to the effective date of the termination, provided that such services are performed in accordance with the provisions of this Contract. County shall give written notice of the effective date of any suspension, amendment, or termination under this Section, at least ten (10) days in advance.

**5.0 DUTIES:**

- 5.1 The Contractor shall perform all duties stated in Exhibit "B", or as otherwise directed in writing by the Procurement Officer.
- 5.2 During the Contract term, County may provide Contractor's personnel with adequate workspace for consultants and such other related facilities as may be required by Contractor to carry out its contractual obligations.

**6.0 TERMS and CONDITIONS:**

**6.1 INDEMNIFICATION:**

- 6.1.1 To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless County, its agents, representatives, officers, directors, officials, and employees from and against all claims, damages, losses and expenses, including, but not limited to, attorney fees, court costs, expert witness fees, and the cost of appellate proceedings?, relating to, arising out of, or alleged to have resulted from the negligent acts, errors, omissions, mistakes or malfeasance relating to the Contractor's performance of this Contract. Contractor's duty to defend, indemnify and hold harmless County, its agents, representatives, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss or expense that is caused by any negligent acts, errors, omissions or mistakes in the performance of this Contract by the Contractor, as well as any person or entity for whose acts, errors, omissions, mistakes or malfeasance Contractor may be legally liable.
- 6.1.2 The amount and type of insurance coverage requirements set forth herein will in no way be construed as limiting the scope of the indemnity in this paragraph.
- 6.1.3 The scope of this indemnification does not extend to any claim, damage, loss, or expense resulting from the sole negligence of County.

**6.2 INSURANCE:**

- 6.2.1 Contractor, at Contractor's own expense, shall purchase and maintain the herein stipulated minimum insurance from a company or companies duly licensed by the State of Arizona and possessing a current A.M. Best, Inc. rating of B++. In lieu of State of Arizona licensing, the stipulated insurance may be purchased from a company or companies, which are authorized to do business in the State of Arizona, provided that said insurance companies meet the approval of County. The form of any insurance policies and forms must be acceptable to County.
- 6.2.2 All insurance required herein shall be maintained in full force and effect until all work or service required to be performed under the terms of the Contract is satisfactorily completed and formally accepted. Failure to do so may, at the sole discretion of County, constitute a material breach of this Contract.
- 6.2.3 Contractor's insurance shall be primary insurance as respects County, and any insurance or self-insurance maintained by County shall not contribute to it.
- 6.2.4 Any failure to comply with the claim reporting provisions of the insurance policies or any breach of an insurance policy warranty shall not affect the County's right to coverage afforded under the insurance policies.

- 6.2.5 The insurance policies may provide coverage that contains deductibles or self-insured retentions. Such deductible and/or self-insured retentions shall not be applicable with respect to the coverage provided to County under such policies. Contractor shall be solely responsible for the deductible and/or self-insured retention and County, at its option, may require Contractor to secure payment of such deductibles or self-insured retentions by a surety bond or an irrevocable and unconditional letter of credit.
- 6.2.6 County reserves the right to request and to receive, within 10 working days, certified copies of any or all of the herein required insurance certificates. County shall not be obligated to review policies and/or endorsements or to advise Contractor of any deficiencies in such policies and endorsements, and such receipt shall not relieve Contractor from, or be deemed a waiver of County's right to insist on strict fulfillment of Contractor's obligations under this Contract.
- 6.2.7 The insurance policies required by this Contract, except Workers' Compensation, and Errors and Omissions, shall name County, its agents, representatives, officers, directors, officials and employees as Additional Insured's.
- 6.2.8 The policies required hereunder, except Workers' Compensation, and Errors and Omissions, shall contain a waiver of transfer of rights of recovery (subrogation) against County, its agents, representatives, officers, directors, officials and employees for any claims arising out of Contractor's work or service.
- 6.2.9 The Contractor's policies shall stipulate that the insurance afforded the Contractor shall be primary insurance and that any insurance carried by the Department, its agents, officials, employees or the State of Arizona shall be excess and not contributory insurance, as provided by A.R.S. § 41-621 (E).
- 6.2.10 Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.
- 6.2.11 Commercial General Liability:  
  
Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$1,000,000 for each occurrence, \$1,000,000 Products/Completed Operations Aggregate, and \$2,000,000 General Aggregate Limit. The policy shall include coverage for bodily injury, broad form property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provision which would serve to limit third party action over claims. There shall be no endorsement or modification of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.
- 6.2.12 Workers' Compensation:  
  
6.2.12.1 Workers' Compensation insurance to cover obligations imposed by federal and state statutes having jurisdiction of Contractor's employees engaged in the performance of the work or services under this Contract; and Employer's Liability insurance of not less than \$1,000,000 for each accident, \$1,000,000 disease for each employee, and \$1,000,000 disease policy limit.
- 6.2.12.2 Contractor waives all rights against County and its agents, officers, directors and employees for recovery of damages to the extent these damages are covered by the Workers' Compensation and Employer's Liability or commercial umbrella liability insurance obtained by Contractor pursuant to this Contract.

6.2.13 Crime:

CONTRACTOR shall maintain Commercial Crime Liability Insurance with a limit of not less than \$500,000 for each occurrence. The policy shall include, but not be limited to, coverage for employee dishonesty, fraud, theft, or embezzlement.

6.2.14 **Commercial General Liability – Occurrence Form**

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

|          |   |             |
|----------|---|-------------|
| 6.2.14.1 | General Aggregate                         | \$2,000,000 |
| 6.2.14.2 | Products – Completed Operations Aggregate | \$1,000,000 |
| 6.2.14.3 | Personal and Advertising Injury           | \$1,000,000 |
| 6.2.14.4 | Damage to Rented Premises                 | \$ 100,000  |
| 6.2.14.5 | Each Occurrence                           | \$1,000,000 |

6.2.15 Certificates of Insurance:

6.2.15.1 Prior to Contract **AWARD**, Contractor shall furnish the County with valid and complete certificates of insurance, or formal endorsements as required by the Contract in the form provided by the County (**see Exhibit 4**), issued by Contractor’s insurer(s), as evidence that policies providing the required coverage, conditions and limits required by this Contract are in full force and effect. Such certificates shall identify this contract number and title.

6.2.15.2 In the event any insurance policy (ies) required by this contract is (are) written on a “claims made” basis, coverage shall extend for two years past completion and acceptance of Contractor’s work or services and as evidenced by annual Certificates of Insurance.

6.2.15.3 If a policy does expire during the life of the Contract, a renewal certificate must be sent to County fifteen (15) days prior to the expiration date.

6.2.16 Cancellation and Expiration Notice:

Insurance required herein shall not be permitted to expire, be canceled, or materially changed without thirty (30) days prior written notice to the County.

6.3 REQUIREMENTS CONTRACT:

6.3.1 Contractors signify their understanding and agreement by signing a bid submittal, that the Contract resulting from the bid is a requirements contract. However, the Contract does not guarantee any minimum or maximum number of purchases will be made. It only indicates that if purchases are made for the materials or services contained in the Contract, they will be purchased from the Contractor awarded that item if the Contractor can meet all the delivery requirements of the County. Orders will only be placed when the County identifies a need and proper authorization and documentation have been approved.

6.3.2 County reserves the right to cancel Purchase Orders within a reasonable period of time after issuance. Should a Purchase Order be canceled, the County agrees to reimburse the Contractor for actual and documentable costs incurred by the Contractor in response to the Purchase Order. The County will not reimburse the Contractor for any costs incurred after receipt of County notice of cancellation, or for lost profits, shipment of product prior to issuance of Purchase Order, etc.

6.3.3 Contractors agree to accept verbal notification of cancellation of Purchase Orders from the County Procurement Officer with written notification to follow. By submitting a bid in response to this Invitation for Bids, the Contractor specifically acknowledges to be bound by this cancellation policy.

6.4 **SUSPENSION OF WORK:**

The Procurement Officer may order the Contractor, in writing, to suspend, delay, or interrupt all or any part of the work of this contract for the period of time that the Procurement Officer determines appropriate for the convenience of the County. No adjustment shall be made under this clause for any suspension, delay, or interruption to the extent that performance would have been so suspended, delayed, or interrupted by any other cause, including the fault or negligence of the Contractor. No request for adjustment under this clause shall be granted unless the claim, in an amount stated, is asserted in writing as soon as practicable after the termination of the suspension, delay, or interruption, but not later than the date of final payment under the contract.

6.5 **STOP WORK ORDER:**

The Procurement Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Procurement Officer shall either—

6.5.1 Cancel the stop-work order; or

6.5.2 Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the County, clause of this contract.

6.5.3 The Procurement Officer may make an equitable adjustment in the delivery schedule and/or contract price, or otherwise, and the contract shall be modified, in writing, accordingly, if the Contractor demonstrates that the stop work order resulted in an increase in costs to the Contractor.

6.6 **UNCONDITIONAL TERMINATION FOR CONVENIENCE:**

Maricopa County may terminate the resultant Contract for convenience by providing sixty (60) calendar days advance notice to the Contractor.

6.7 **TERMINATION FOR DEFAULT:**

The County may, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

6.7.1 Deliver the supplies or to perform the services within the time specified in this contract or any extension;

6.7.2 Make progress, so as to endanger performance of this contract; or

6.7.3 Perform any of the other provisions of this contract.

6.7.4 The County's right to terminate this contract under these subparagraph may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in

writing by the County) after receipt of the notice from the Procurement Officer specifying the failure.

**6.8 STATUTORY RIGHT OF CANCELLATION FOR CONFLICT OF INTEREST:**

Notice is given that pursuant to A.R.S. § 38-511 the County may cancel any Contract without penalty or further obligation within three years after execution of the contract, if any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County is at any time while the Contract or any extension of the Contract is in effect, an employee or agent of any other party to the Contract in any capacity or consultant to any other party of the Contract with respect to the subject matter of the Contract. Additionally, pursuant to A.R.S § 38-511 the County may recoup any fee or commission paid or due to any person significantly involved in initiating, negotiating, securing, drafting or creating the contract on behalf of the County from any other party to the contract arising as the result of the Contract.

**6.9 CONTRACTOR LICENSE REQUIREMENT:**

6.9.1 The Respondent shall procure all permits, insurance, licenses and pay the charges and fees necessary and incidental to the lawful conduct of his/her business, and as necessary complete any required certification requirements, required by any and all governmental or non-governmental entities as mandated to maintain compliance with and in good standing for all permits and/or licenses. The Respondent shall keep fully informed of existing and future trade or industry requirements, Federal, State and Local laws, ordinances, and regulations which in any manner affect the fulfillment of a Contract and shall comply with the same. Contractor shall immediately notify both Office of Procurement Services and the using agency of any and all changes concerning permits, insurance or licenses.

6.9.2 Respondents furnishing finished products, materials or articles of merchandise that will require installation or attachment as part of the Contract, shall possess any licenses required. A Respondent is not relieved of its obligation to possess the required licenses by subcontracting of the labor portion of the Contract. Respondents are advised to contact the Arizona Registrar of Contractors, Chief of Licensing, at (602) 542-1525 to ascertain licensing requirements for a particular contract. Respondents shall identify which license(s), if any, the Registrar of Contractors requires for performance of the Contract.

**6.10 SUBCONTRACTING:**

6.10.1 The Contractor may not assign to another Contractor or Subcontract to another party for performance of the terms and conditions hereof without the written consent of the County. All correspondence authorizing subcontracting must reference the Bid Serial Number and identify the job project.

6.10.2 The Subcontractor's rate for the job shall not exceed that of the Prime Contractor's rate, as bid in the pricing section, unless the Prime Contractor is willing to absorb any higher rates or the County has approved the increase. The Subcontractor's invoice shall be invoiced directly to the Prime Contractor, who in turn shall pass-through the costs to the County, without mark-up. A copy of the Subcontractor's invoice must accompany the Prime Contractor's invoice.

**6.11 AMENDMENTS:**

All amendments to this Contract shall be in writing and approved/signed by both parties. Maricopa County Office of Procurement Services shall be responsible for approving all amendments for Maricopa County.

**6.12 ADDITIONS/DELETIONS OF SERVICE:**

6.12.1 The County reserves the right to add and/or delete materials and services to a Contract. If a service requirement is deleted, payment to the Contractor will be reduced proportionately, to the amount of service reduced in accordance with the bid price. If additional materials or services are required from a Contract, prices for such additions will be negotiated between the Contractor and the County.

6.12.2 The County reserves the right of final approval on proposed staff for all Task Orders. Also, upon request by the County, the Contractor will be required to remove any employees working on County projects and substitute personnel based on the discretion of the County within two business days, unless previously approved by the County.

**6.13 VALIDITY:**

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of the Contract.

**6.14 SEVERABILITY:**

The invalidity, in whole or in part, of any provision of this Contract shall not void or affect the validity of any other provision of this Contract.

**6.15 RIGHTS IN DATA:**

The County shall have the use of data and reports resulting from a Contract without additional cost or other restriction except as may be established by law or applicable regulation. Each party shall supply to the other party, upon request, any available information that is relevant to a Contract and to the performance thereunder.

**6.16 NON-DISCRIMINATION:**

CONTRACTOR agrees to comply with all provisions and requirements of Arizona Executive Order 2009-09 including flow down of all provisions and requirements to any subcontractors. Executive Order 2009-09 supersedes Executive order 99-4 and amends Executive order 75-5 and may be viewed and downloaded at the Governor of the State of Arizona's website [http://www.azgovernor.gov/dms/upload/EO\\_2009\\_09.pdf](http://www.azgovernor.gov/dms/upload/EO_2009_09.pdf) which is hereby incorporated into this contract as if set forth in full herein. During the performance of this contract, CONTRACTOR shall not discriminate against any employee, client or any or any other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

**6.17 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION:**

6.17.1 The undersigned (authorized official signing for the Contractor) certifies to the best of his or her knowledge and belief, that the Contractor

6.17.1.1 is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any Federal Department or agency;

6.17.1.2 have not within 3-year period preceding this Contract been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- 6.17.1.3 are not presently indicted or otherwise criminally or civilly charged by a government entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (2) of this certification; and
  - 6.17.1.4 have not within a 3-year period preceding this Contract had one or more public transaction (Federal, State or local) terminated for cause of default.
  - 6.17.2 The Contractor agrees to include, without modification, this clause in all lower tier covered transactions (i.e. transactions with subcontractors) and in all solicitations for lower tier covered transactions related to this Contract.
- 6.18 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:
- 6.18.1 By entering into the Contract, the Contractor warrants compliance with the Immigration and Nationality Act (INA using e-verify) and all other federal immigration laws and regulations related to the immigration status of its employees and A.R.S. §23-214(A). The contractor shall obtain statements from its subcontractors certifying compliance and shall furnish the statements to the Procurement Officer upon request. These warranties shall remain in effect through the term of the Contract. The Contractor and its subcontractors shall also maintain Employment Eligibility Verification forms (I-9) as required by the Immigration Reform and Control Act of 1986, as amended from time to time, for all employees performing work under the Contract and verify employee compliance using the E-verify system and shall keep a record of the verification for the duration of the employee's employment or at least three years, whichever is longer. I-9 forms are available for download at USCIS.GOV.
  - 6.18.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.10 of this Section. Contractor and subcontractor shall be given reasonable notice of the County's intent to inspect and shall make the documents available at the time and date specified. Should the County suspect or find that the Contractor or any of its subcontractors are not in compliance, the County will consider this a material breach of the contract and may pursue any and all remedies allowed by law, including, but not limited to: suspension of work, termination of the Contract for default, and suspension and/or debarment of the Contractor. All costs necessary to verify compliance are the responsibility of the Contractor.
- 6.19 INFLUENCE:
- As prescribed in MC1-1202 of the Maricopa County Procurement Code, any effort to influence an employee or agent to breach the Maricopa County Ethical Code of Conduct or any ethical conduct may be grounds for Disbarment or Suspension under MC1-902.  
An attempt to influence includes, but is not limited to:
- 6.19.1 A Person offering or providing a gratuity, gift, tip, present, donation, money, entertainment or educational passes or tickets, or any type valuable contribution or subsidy,
  - 6.19.2 That is offered or given with the intent to influence a decision, obtain a contract, garner favorable treatment, or gain favorable consideration of any kind.
- If a Person attempts to influence any employee or agent of Maricopa County, the Chief Procurement Officer, or his designee, reserves the right to seek any remedy provided by the Maricopa County Procurement Code, any remedy in equity or in the law, or any remedy provided by this contract.

**6.20 ACCESS TO AND RETENTION OF RECORDS FOR THE PURPOSE OF AUDIT AND/OR OTHER REVIEW:**

6.20.1 In accordance with section MCI 371 of the Maricopa County Procurement Code the Contractor agrees to retain all books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract for six (6) years after final payment or until after the resolution of any audit questions which could be more than six (6) years, whichever is latest. The County, Federal or State auditors and any other persons duly authorized by the Department shall have full access to, and the right to examine copy and make use of, any and all said materials.

6.20.2 If the Contractor's books, records, accounts, statements, reports, files, and other records and back-up documentation relevant to this Contract are not sufficient to support and document that requested services were provided, the Contractor shall reimburse Maricopa County for the services not so adequately supported and documented.

6.20.3 If at any time it is determined by the County that a cost for which payment has been made is a disallowed cost, the County shall notify the Contractor in writing of the disallowance. The course of action to address the disallowance shall be at sole discretion of the County, and may include either an adjustment to future invoices, request for credit, request for a check or deduction from current billings Submitted by the Contractor by the amount of the disallowance, or to require reimbursement forthwith of the disallowed amount by the Contractor by issuing a check payable to Maricopa County.

**6.21 AUDIT DISALLOWANCES:**

If at any time, County determines that a cost for which payment has been made is a disallowed cost, such as overpayment, County shall notify the Contractor in writing of the disallowance. County shall also state the means of correction, which may be but shall not be limited to adjustment of any future claim submitted by the Contractor by the amount of the disallowance, or to require repayment of the disallowed amount by the Contractor.

**6.22 OFFSET FOR DAMAGES;**

In addition to all other remedies at Law or Equity, the County may offset from any money due to the Contractor any amounts Contractor owes to the County for damages resulting from breach or deficiencies in performance of the contract.

**6.23 PUBLIC RECORDS:**

Under Arizona law, all Offers submitted and opened are public records and must be retained by the Records Manager at the Office of Procurement Services. Offers shall be open to public inspection and copying after Contract award and execution, except for such Offers or sections thereof determined to contain proprietary or confidential information, by the Office of Procurement Services. If an Offeror believes that information in its Offer or any resulting Contract should not be released in response to a public record request under Arizona law, the Offeror shall indicate the specific information deemed confidential or proprietary and submit a statement with its offer detailing the reasons that the information should not be disclosed. Such reasons shall include the specific harm or prejudice which may arise from disclosure. The Records Manager of the Office of Procurement Services shall determine whether the identified information is confidential pursuant to the Maricopa County Procurement Code.

**6.24 PRICES:**

Contractor warrants that prices extended to County under this Contract are no higher than those paid by any other customer for these or similar services.

**6.25 INTEGRATION:**

This Contract represents the entire and integrated agreement between the parties and supersedes all prior negotiations, proposals, communications, understandings, representations, or agreements, whether oral or written, express or implied.

**6.26 RELATIONSHIPS:**

In the performance of the services described herein, the Contractor shall act solely as an independent contractor, and nothing herein or implied herein shall at any time be construed as to create the relationship of employer and employee, co-employee, partnership, principal and agent, or joint venture between the County and the Contractor.

**6.27 GOVERNING LAW:**

This Contract shall be governed by the laws of the state of Arizona. Venue for any actions or lawsuits involving this Contract will be in Maricopa County Superior Court or in the United States District Court for the District of Arizona, sitting in Phoenix, Arizona

**6.28 ORDER OF PRECEDENCE:**

In the event of a conflict in the provisions of this Contract and Contractor's license agreement, if applicable, the terms of this Contract shall prevail.

**6.29 INCORPORATION OF DOCUMENTS:**

The following are to be attached to and made part of this Contract:

6.29.1 Exhibit A, Pricing

6.29.2 Exhibit B, Scope of Work

**NOTICES:**

All notices given pursuant to the terms of this Contract shall be addressed to:

For County:

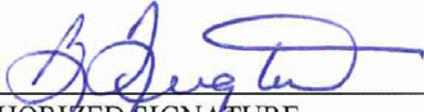
Maricopa County  
Office of Procurement Services  
ATTN: Contract Administration  
320 West Lincoln Street  
Phoenix, Arizona 85003-2494

For Contractor:

MSB Government Services  
8325 Tuscany Way  
Building \$  
Austin, TX 78754  
(800) 568-7004

IN WITNESS WHEREOF, this Contract is executed on the date set forth above.

**CONTRACTOR**



AUTHORIZED SIGNATURE

Barbara Fugler, V.P. Finance / Controller  
PRINTED NAME AND TITLE

8325 Tuscan Way, Austin, TX 78754  
ADDRESS

6/3/15  
DATE

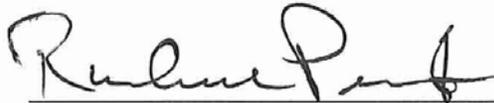
**MARICOPA COUNTY**



CHIEF PROCUREMENT OFFICER,  
OFFICE OF PROCUREMENT SERVICES

6/10/15  
DATE

**APPROVED AS TO FORM:**



LEGAL COUNSEL

June 8, 2015  
DATE

**EXHIBIT A**

**PRICING**

SERIAL 14126-RFP NIGP CODE: 94633  
 RESPONDENT'S NAME: Gila LLC d/b/a Municipal Services Bureau  
 COUNTY VENDOR NUMBER:  
 ADDRESS: 8325 Tuscan Way, Austin, TX 78754  
 P.O. ADDRESS:  
 TELEPHONE NUMBER: 1-800-568-7004 ext. 3317 512/323-4268  
 FACSIMILE NUMBER: 866-283-6484  
 WEBSITE: www.gilacorp.com  
 CONTACT (REPRESENTATIVE): Bruce Cummings, CEO Tyra Williams  
 REPRESENTATIVE E-MAIL ADDRESS: Bruce.Cummings@gilacorp.com  
Tyra.Williams@gilacorp.com

**YES NO REBATE**

WILL ALLOW OTHER GOVERNMENTAL ENTITIES TO PURCHASE FROM THIS CONTRACT

WILL ACCEPT PROCUREMENT CARD FOR PAYMENT:

WILL OFFER REBATE (CASH OR CREDIT) FOR UTILIZING PROCUREMENT CARD:   %  
 (Payment shall be made within 48 hours of utilizing the Purchasing Card)

RESPONDENT IS REQUIRED TO PICK ONE OF THE FOLLOWING PAYMENT TERMS. FAILURE TO INDICATE PAYMENT TERMS WILL RESULT IN A DEFAULT TO NET 30 DAYS. RESPONDENT MUST INITIAL THEIR SELECTION BELOW.

- |   |   |   |
|---|---|---|
| <input type="checkbox"/> NET 10 DAYS            | <input type="checkbox"/> NET 45 DAYS            | <input type="checkbox"/> 1% 10 DAYS NET 30 DAYS |
| <input type="checkbox"/> NET 15 DAYS            | <input type="checkbox"/> NET 60 DAYS            | <input type="checkbox"/> 2% 30 DAYS NET 31 DAYS |
| <input type="checkbox"/> NET 20 DAYS            | <input type="checkbox"/> NET 90 DAYS            | <input type="checkbox"/> 1% 30 DAYS NET 31 DAYS |
| <input checked="" type="checkbox"/> NET 30 DAYS | <input type="checkbox"/> 2% 10 DAYS NET 30 DAYS | <input type="checkbox"/> 5% 30 DAYS NET 31 DAYS |

**1.0 PRICING: PROPOSED COLLECTION FEE**

|                                      |   |  |
|--------------------------------------|---|--|
| ITEM DESCRIPTION                     | Collections fee (pricing extended for all Depts.) | % 16.5 add-on fee (paid for by the debtor)             |
| Legal services                       |   | \$300.00 flat fee per account (paid for by the debtor) |
| Collections fee for Library accepted |   |  |

## **EXHIBIT B**

### **SCOPE OF WORK**

#### **PROCEDURES FOR IN-STATE COLLECTION EFFORTS**

MSB is excited to offer the County a superior collection solution modified to meet your specific requirements. Our solution marries sophisticated, advanced technology with our extensive experience in providing collection programs exclusively to government entities.

MSB has developed and implemented hundreds of debt collection projects, giving us the necessary tools to **provide the County best-in-class collection procedures**. MSB has the ability to perform the necessary functions to provide a compliant collection program which maximizes recovery including:

- Open communication in order to coordinate collection services;
- A sophisticated computer hardware and software system which accepts and accommodates the necessary data on the County's accounts;
- Initial and follow-up training to all employees encompassing all areas of collection activities, as well as all laws and regulations governing such activities;
- Providing assurances that MSB is operating within the laws and regulations governing collector activity; and
- Contacting the County's debtors and requesting payment or providing appropriate instructions to their remaining options in a professional and business-like manner.

By implementing the collection services offered by MSB, you can achieve the following goals:

**Increased Revenue** - MSB generates revenue by collecting delinquent fines, fees and costs that would otherwise go uncollected. MSB has the ability to address each and every account evenly and consistently – virtually regardless of the location of the debtor.

**Decreased Liability** - MSB indemnifies all clients against our actions and maintains substantial errors and omissions liability insurance and bonds. We **reduce the County's liability** and exposure by utilizing MSB's services.

**Virtual Staff** - MSB's resources and **personnel are utilized without allocating additional County funds**. It's like having additional staff working along with the County's staff.

**Premier Technology** - The County can leverage technology by benefiting from **MSB's highly automated, advanced solution**. MSB has the assets in place to immediately offer the County sophisticated, state-of-the-art, reliable software and hardware resources as well as the skilled personnel necessary to meet the desired goal.

MSB has implemented a number of tools within the collection system which allow for effective targeting and segmentation of the receivables portfolio to ensure maximum return for our clients. MSB has developed in-house processes and reporting, enabling the identification and assignment of accounts requiring collector or batch process intervention. Some examples include: follow up for broken payment arrangements, skip trace activity, bankruptcy & deceased notification, litigious consumer identification, dispute resolution, and new account placement processing & workflow integration. Please read below for a detailed description of the methods used now for our clients.

#### **Address Management Services**

MSB's integrated systems can scrub debtor names and address data, enhance address information via Zip+4 appends, USPS FASTforward System Change of Address (COA) lookups, as well as **National Change of Address (NCOA) lookups**. This is done on each account submitted to MSB.

MSB's Address Management process is part of our family of products, all of which share comprehensive operational reports and statistics. These include costing reports tailored to debtor requirements and extremely fast processing turnaround times.

Key benefits of the Address Management process are:

- Automatically replaces address on file with the forwarding address, resulting in:
  - Faster delivery and fewer mail returns, accelerating recoveries
  - Updated address upon which to base automated skip tracing look-ups
- Name and address standardization reduces mail returns due to data quality errors
- Enhancement of the address "last line" via spelling corrections, USPS City mapping, and Zip+4 appends for USPS CASS certification
- COA lookups on all records via USPS FASTforward's 12-plus month database
- NCOA lookups on all FASTforward "no-hits," extending the Change of Address lookup to 3+ years Identification of "Known Bad Addresses," with ability to provide automated services on these debtors.

## **Skip Tracing**

MSB anticipates that many accounts submitted will require extensive skip tracing efforts. Skip tracing is an industry term describing the various processes used in an attempt to locate a person whose current address or telephone number is unknown. Without a successful skip tracing program, collection results are significantly lower. You cannot collect from someone you cannot contact.

Once the phone number or address is determined incorrect, skip tracing procedures begin. **Skip tracing is conducted on a local, regional and national basis. The schedule is ongoing on a monthly, quarterly, and annual basis as long as we have the account.** Efforts include:

- 1) ***Data Providers:*** MSB has the ability to utilize the following vendors who supply NCOA programs as well as our own database of mail return information. Online access to these providers is linked to our internal intrashare website for collector's convenience when they are skip tracing. MSB has access to billions of data sources through the following:
  - Accurint (LEXIS NEXIS)
  - Acxiom
  - ChoosePoint
  - DirectoryNet
  - Dolan
  - FastData
  - MasterFiles
  - RiskWise
  - Verifacts
- 2) ***Additional skip tracing resources may include the following:***
  - Multiple State and National Directory References
  - Address Correction Deposit on file with the Postmaster
  - Credit Bureaus
  - Utility Records
  - Driver's License Database
- 3) ***Cross Referencing of County's Accounts Against Our Proprietary Database***

All accounts submitted to MSB with outdated information are skipped to locate the most recent and accurate information. The accounts are continually re-skipped on a monthly, quarterly, and annual schedule in an effort to maintain the most current contact information in account they move or relocate over that time. If a debtor is contacted on one account, the collectors will do an extensive system search to verify if any additional debts are owed. All accounts are updated with the latest information.

***Batch Skip Tracing Services***

MSB's batch skip tracing process effectively skips millions of accounts at one time. The process is developed and engineered to provide the most accurate information for difficult to find debtors. Every account referred to MSB without valid contact information will go through the same skip process. Features include:

- Electronic Directory Assistance (EDA)
- Phone and SSN Append
- Phone Dedupe (If a number is marked as bad, it is not returned as a good one, nor is it kept in the search)
- Best Address
- Best Address Dedupe (If an address is bad, it is not returned as good and it is removed from the search)
- Credit Header with Credit Bureau (Results in more right party contacts rates, higher levels of verification and fraud detection.)
- Full Header

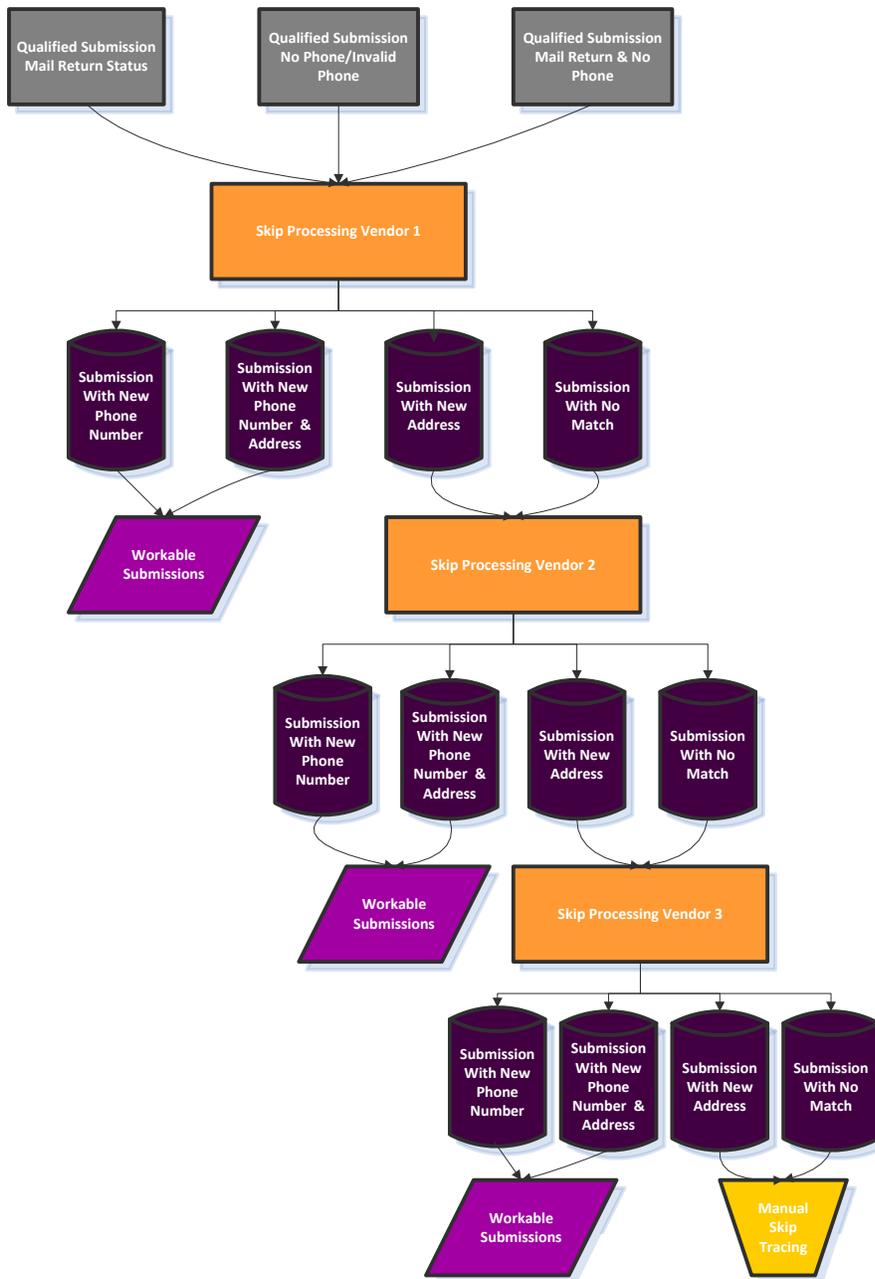
MSB accesses 6.8 billion records from over 30 sources to locate correct contact information including:

- Bankruptcy Filings
- Vehicle and Voter Registrations
- Driver's License Numbers
- Utility Information
- Phone Records

MSB employs a waterfall process for batch skip tracing including:

- Applying multi levels of skip processing to improve overall Right Party Contact (RPC) results
- Waterfall effect utilizing up to 3 skip batch vendors ranked by best Right Party Contact percent
- Manual skip tracing for remaining submissions with unattainable contact information via batch processing will be available
- Tracking and reporting to be designed for ongoing analysis

A flow chart illustrating our waterfall skip tracing process is provided on the following page:



**Letter Procedures and Capabilities**

Each account the County refers to MSB is scheduled a letter series once it is uploaded into MSB’s system. Letters may be customized to meet specific circumstances, and MSB may utilize bilingual verbiage in the County’s letters to ensure all debtors are able to make contact to initiate payment.

The initial notice is mailed when the account is transferred to MSB’s collection department. If there is a failure to respond to the first notice, a second notice is automatically generated. This process is repeated. If a payment is posted in full or if the account is canceled or closed for any reason, the letters automatically cease. If a debtor has multiple accounts and payment in full is received on only one account, the letter series is modified and a new letter series, appropriate to the situation is scheduled. If the County places the account on hold for any reason, the letter series is held until MSB is informed to continue collection activity.

MSB can customize an individual letter series to meet the County’s needs. Our letters are time tested and have proven their effectiveness in communicating with debtors to resolve accounts while complying with all federal and state collection laws. The County is able to approve all letters and their verbiage during the implementation phase.

Each letter contains contact information in both English and Spanish, a toll-free telephone number and the web address where online payments may be made. MSB's letter notification tool can alter the language of letters to adjust to any future needs of the County.

### ***Predictive Dialer Technology***

The Interactive Intelligence Inc. (ININ) is a system that automates the dialing process within a call center environment. The system dials telephone numbers downloaded from MSB's database and detects an answered call. The system filters out calls with no answer, busy signals, and disconnected numbers, and passes only answered calls to the collector. The collector may also leave messages.

When an individual is reached, the debtor's detailed account information appears on the monitor at the collector's workstation. The collector then updates the database with verified information such as new telephone numbers, place of employment, etc. Depending on the experience of the employee, the Dialer allows a collector to make approximately 200 contacts a day, amounting to a sevenfold increase in debtor contacts compared to manual calls.

When the Dialer reaches a disconnected number, the account is passed to the skip tracing queue. Once valid information is found, the account is put back into circulation.

A variety of strategies are in place to deal with each circumstance. For example, when the Dialer receives a busy signal, the system can be programmed to re-dial that number every 15 minutes thereafter until the line is connected. Also, if the call is not answered, the Dialer might continue to call every 60 minutes until someone answers.

A dynamic advantage of this system is the inbound/outbound feature. The Dialer keeps track of the number of collectors on the dialer system and the number of incoming calls. The Dialer equally distributes the incoming and outbound calls, leaving no unanswered calls.

MSB realizes the importance of *immediately* working accounts while the information (phone number, address, etc.) is still valid; therefore, we stress *quick activity*. However, MSB also understands that various circumstances prevent one from paying an obligation immediately. In many instances, changes in personal matters enable the individual to pay at a later date.

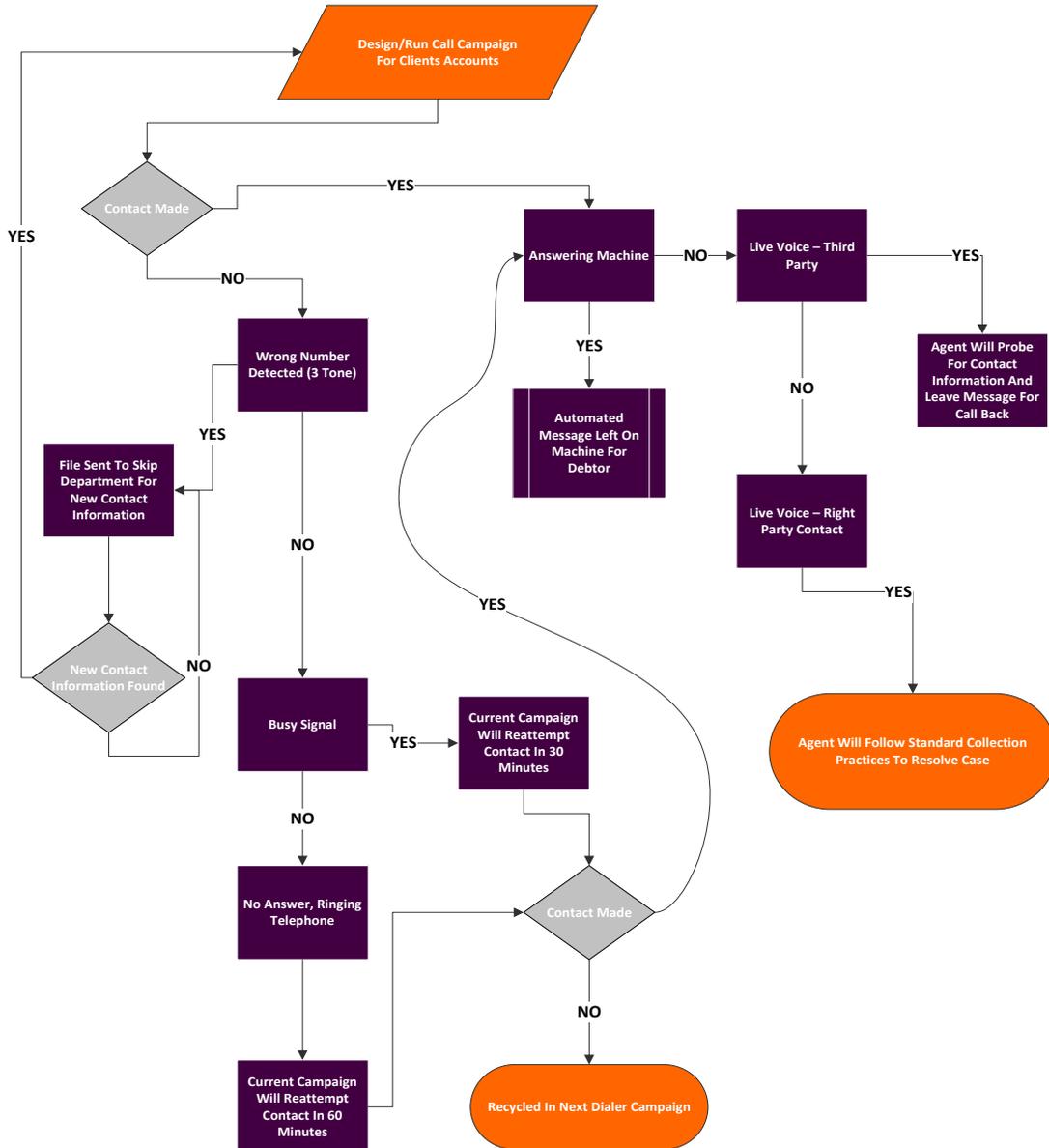
The Dialer generates individual reports pertaining to the performance of each collector. The Collection Manager evaluates each collector by the speed and thoroughness of their work (based on experience). The Dialer generates statistical information in the following areas:

- Time the collector spent on the Dialer
- Productivity of time spent on the Dialer
- Number of messages left
- Messages left with a person
- Wrong numbers called by the collector
- Accounts updated with new location information
- Promises and refusals to pay
- Immediate payment made with initial contact via Credit Cards or Check by Phone
- Transferred calls from other collectors
- Supervisor reviews because of dispute

Please reference the Dialer Campaign Flow Chart below:

# Dialer Campaign Flow Chart

MSB – Interactive Dialer



## Phone System

MSB utilizes a state of the art fully integrated VOIP phone system by Interactive Intelligence Inc (ININ). All calls can be shared with the County by e-mailing a wave file of the recorded conversation upon request. **All inbound and outbound calls are recorded and stored for a minimum of 2 years.**

**The ININ Customer Interaction Center (CIC)** offers the following advantages:

- Innovative Pre-Integrated Application Suite- The multimedia Automatic Call Distributor (ACD) gives MSB capability to manage calls, call processing, voicemail, fax and unified messaging to elevate productivity, performance, and customer service.
- ACD with Universal Queuing- This is a flexible automatic communications distributor for language, segment or skills based call routing to quickly get each call to the appropriate collector.
- Fully Capable Inter-active Voice Response System- MSB offers self-service options such as methods of payment to customers waiting in queue or calling after hours.
- Outbound Campaign Management- The Dialer pre-integrates to CIC to blend outbound campaign calls with inbound ACD calls. Once contact is made, the call is transferred to a collector.
- Recording, Scoring and Quality Monitoring- MSB is able to digitally record all collector inbound and outbound calls which involve client contact. Flexible scoring helps maximize collector performance, and simplify recording, file management and retrieval.
- Supervision and System Monitoring- The supervisory and collector system monitoring capabilities allow MSB to view all stats in one interface. MSB supervisors monitor these on several new 52" flat panel displays easily visible on the collection floor.
- Complete Workforce Management- CIC's historical ACD data is combined with projections for demand forecasts and scheduling to ensure optimal staffing, collector performance and service.

## Telephone Techniques

Achieving contact with the debtor is equally important to the telephone techniques used to collect the account. Many debtors have multiple bills and multiple agencies contacting them for payment. **MSB's goal is to be the collector who the debtor decides to pay and the promise the debtor honors.** MSB emphasizes being polite, courteous and professional to all debtors at all times.

The nature of the debtor has changed over the years. Debtors are better educated and more sophisticated than in the past, and they expect to be treated as individuals with unique circumstances and needs. MSB develops our collectors to be effective listeners and communicators. This ensures that the MSB collector becomes the collector whom the debtor wants to pay and significantly increases the likelihood of promises kept by the debtor.

The MSB short-list of what makes a good telephone collector includes:

- Treating the debtor like a customer, with a customer service attitude.
- Suggesting ways for the debtor to overcome problems for payment so that the collector creates the feeling that they are on the debtor's team.
- Being a good listener to evaluate the debtor's willingness and ability to pay.
- Perfecting the negotiating process and paraphrasing what the debtor is saying so that a mutually acceptable solution is reached.
- Being assertive, not aggressive.

Our telephone calls are designed to help the debtor voluntarily resolve their obligation. **Bilingual assistance is provided to all debtors.**

## Litigation

If MSB's collection activities have not yielded payment and MSB, through its skip tracing capabilities, is able to identify assets owned by a debtor, MSB will recommend initiating litigation to recover the monies owed. If an account balance is less than \$5,000 (depending on the jurisdiction), MSB will recommend filing suit in small claims court, as small claims court typically provides an efficient, cost-effective forum for litigating small disputes. Otherwise, MSB will recommend pursuing litigation in the court of competent jurisdiction that

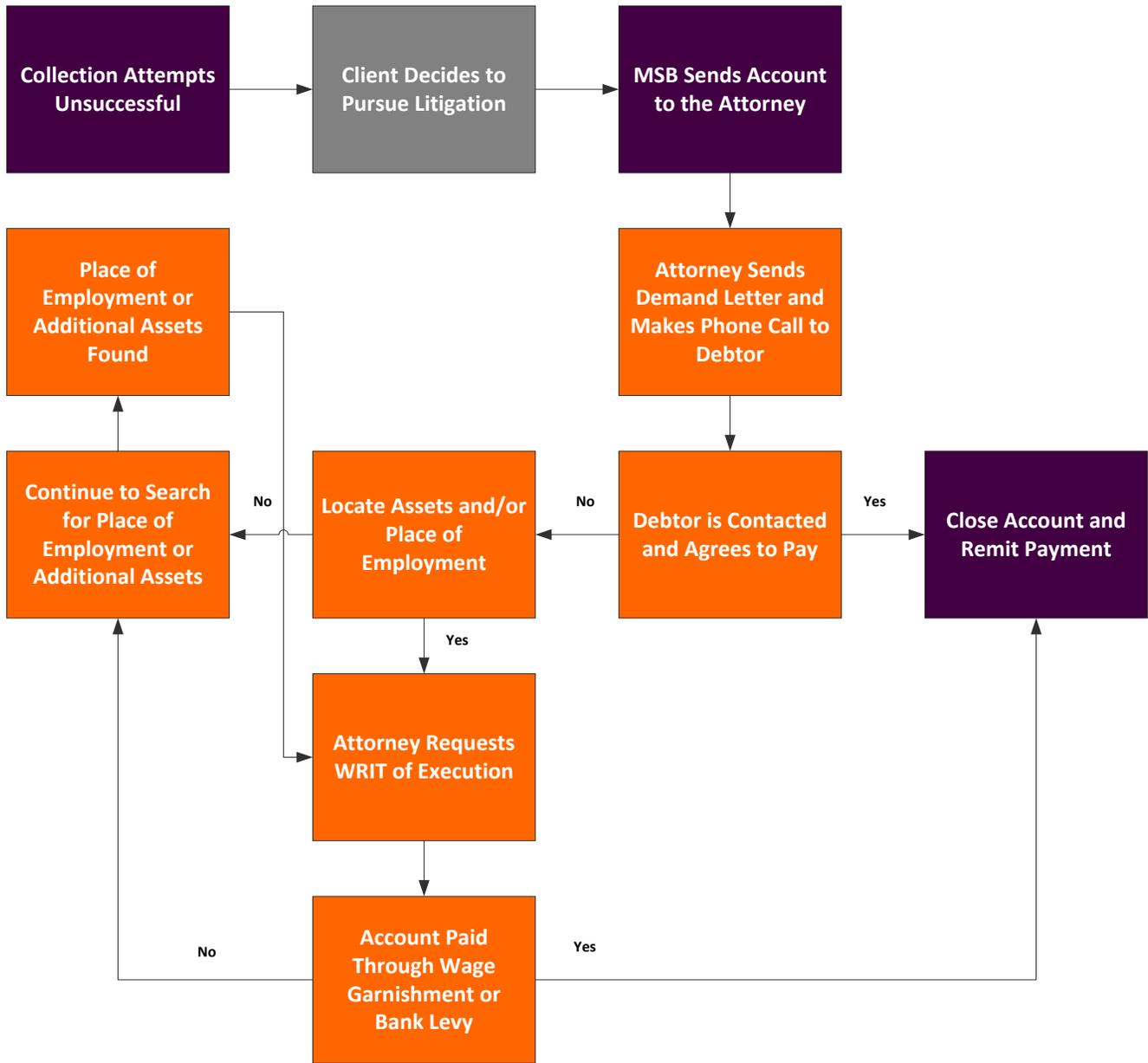
provides the most efficient docket system. Where available, MSB is also able to facilitate the filing of wage garnishments, bank liens and writs of attachment.

MSB's General Counsel, coordinates MSB's Litigation Program and oversees each step in moving accounts through the litigation process. We work with MSB's clients to evaluate and select those accounts which might be viable candidates for litigation. MSB will not initiate any court proceeding without specific, written authorization from the client and until a Litigation Plan has been agreed upon. After an account is selected for litigation, a formal, written demand letter from an attorney will first be sent to the debtor. In addition, follow up phone calls from an attorney may be placed before a lawsuit is initiated as litigation should always be the last resort.

MSB partners with select law firms and attorneys from The National List of Attorneys to provide legal services across the country. The National List of Attorneys provides a \$3,500,000 insurance bond to provide security. MSB will coordinate all of these activities only with the client's approval and on the client's behalf.

We have provided a flow chart detailing the litigation process on the following page:

### Litigation Flow Chart



### *Payment Options*

MSB offers numerous options for debtors to satisfy their obligation to the County. In our experience, payments accepted directly on behalf of our clients achieve a higher collection rate. Debtors may choose from the following methods of payment:

- All major credit cards
- Debit cards
- Online payments, 24X7
- Electronic check over the phone (Vcheck)
- Money Gram (any Wal-Mart or CVS location)
- Western Union Quick Collect (any 7-11 location)
- Cashier's check/Money order
- Certified check
- Personal check mailed via USPS
- Walk in payments accepted at all ACE Cash Express stores nationwide

### *Online Client Portal*

The County will have **the ability to access accounts online, in real time, 24X7**. A login name and password will be issued to allow approved employees to enter the secure site to review information in real-time. Accounts may be reviewed by using several different fields such as name, account number, address, social security number, etc. You can also view all Action Codes, Result Codes, Status Codes and Memo Codes depending on the criteria you provide. **This technology allows the participating entities to quickly find all information regarding a particular account including amount due, amount paid, collectors' notes, updated address information, etc.**

MSB's unique Client Portal enables our clients to have full transparency on all accounts submitted to MSB. This portal allows the following functions:

- Run Various reports in real time
- Submit files, individual accounts and recalls
- Report Wrong Party Contact (WPC) information
- Review client history (previously reporting files, accounts, etc.)
- Access account level details
- Submit a request or contact MSB

A sample screen shot of the client portal has been provided on the following page:

**MSB**  
A PRIVATE CORPORATION

**MSB CLIENT PORTAL**

Welcome Gila Monster Master

Home Services **Account History** Reports Submit a Request About MSB Contact Us

View History  
Submitted Files  
Submitted Accounts  
Submitted Facalls  
Submitted Deceased  
Wrong Party Cont.

Clear All

Search By Name

First Name michael Last Name heath Search

Select A Account Number  
csmi\_acct\_crttr\_rtrnc\_id\_txt  
Select 12345-01

**Account Information**

|                |                   |
|----------------|-------------------|
| Name           | MICHAEL HEATH     |
| ConsumerNumber | 7482131           |
| DOB            | 01/20/1975        |
| Social         | 4885              |
| CBR_Number     |                   |
| Address        | 6505 AIRPORT BLVD |
| City           | AUSTIN            |
| State          | TX                |
| PostalCode     | 78752             |
| Status         | Account is Active |

**Payment Information**

| PaymentDate | Type | Amount | MEMOCODE | OverPost | NSF | DueMSB | DueCreditor | PaymentReleaseDate |
|-------------|------|--------|----------|----------|-----|--------|-------------|--------------------|
|             |      |        |          |          |     |        |             |                    |

**Transaction Information**

| TransactionDate        | Message  | Subject                    | Result                                |
|------------------------|--|----------------------------|---------------------------------------|
| 8/8/2013 4:12:09 AM    | No results returned from batch slip track                            | Signature Request Sent Out | Slip Track Did Not Return Any Matches |
| 1/11/2013 7:14:50 PM   | Test   | Mail Return                | Comments                              |
| 11/01/2012 11:58:04 AM | mid to 3rd party male confused about what number was actually called | COMMENT                    | Comment                               |
| 8/1/2012 4:28:50 PM    | NA   | CONSUMER CALLED OFFICE     | No Answer                             |

**Online Debtor Portal**

MSB’s online debtor portal enhances the debtor’s interaction with MSB by giving them the option to perform the following actions:

- Review their account
- Make a payment
- Request a call back from MSB
- Review Frequently Asked Questions
- Report a dispute
- Download dispute documentation

MSB has provided a sample screen shot of the portal below:

The screenshot shows a web portal interface for a user named Mahamed EldeSouky. The user is logged in, as indicated by the 'Mahamed Logout' link in the top right corner. The navigation menu includes Home, My Account, About Us, Contact Us, General FAQ, and Other Information. The left sidebar contains several service options: Make Payment Now, Account Information, Other Service Request, Edit Profile, Call An Agent, Agent Hours (Monday - Friday, 7AM CST - 11PM CST), and Help. The main content area displays a confirmation message: 'Please confirm if the debtor information below is correct before processing your payment. If you are an Existing User, please login before processing your payment. If you are a New User please create a User Login and Password to view account information and process payments.' Below this message, the following information is shown: First Name: MOHAMED, Last Name: ELDESSOUKY, MSB Account Number: 7376311, Client Name: SMUD, Account Number: 000003506726 - \$83.69 (highlighted in blue), and Total Amount Due: \$83.69. There are 'Back' and 'Pay Now' buttons at the bottom of the form. At the bottom of the page, there is a link to print the letter and a note: 'If the system does not recognize your information, please navigate to 'Other Service Request' and fill out the NIS Form.'

### *Executing Payment Plans with Debtors*

MSB's initial recommendation to the debtor will always be to resolve their obligation by payment in full. In the event a debtor has multiple accounts which they cannot pay in full, an effort will be made to have them pay the first account in full, then the second and so on. MSB never compromises the amount due without written authorization from clients.

MSB's collection software automatically flags individuals who have broken payment commitments within three working days. These accounts are noted with a special status code, indicating a broken promise to pay by the debtor. From there, they are placed into a special dialer campaign, designed specifically to call and collect on accounts where promises to pay were broken.

MSB is able to provide payment updates to the County electronically.

### *Collection Campaigns*

MSB knows that the County will rely on our efforts to set budgets and the revenue generated. In the event of a shortfall, MSB will work with the County to provide customized collection campaigns. Some of the campaigns we currently run are:

#### **Tax Refunds**

During "tax season", January - April, MSB makes additional contacts to all debtors in the system. MSB has found that many debtors have disposable income during this time frame due to tax returns. This campaign will help the County see increased returns. In order to maximize this time of year when debtors may have their only 'additional income', MSB sends specific tax letter mailings in addition to the general collection letter series. Our clients see as much as a 55% increase in their revenue collections.

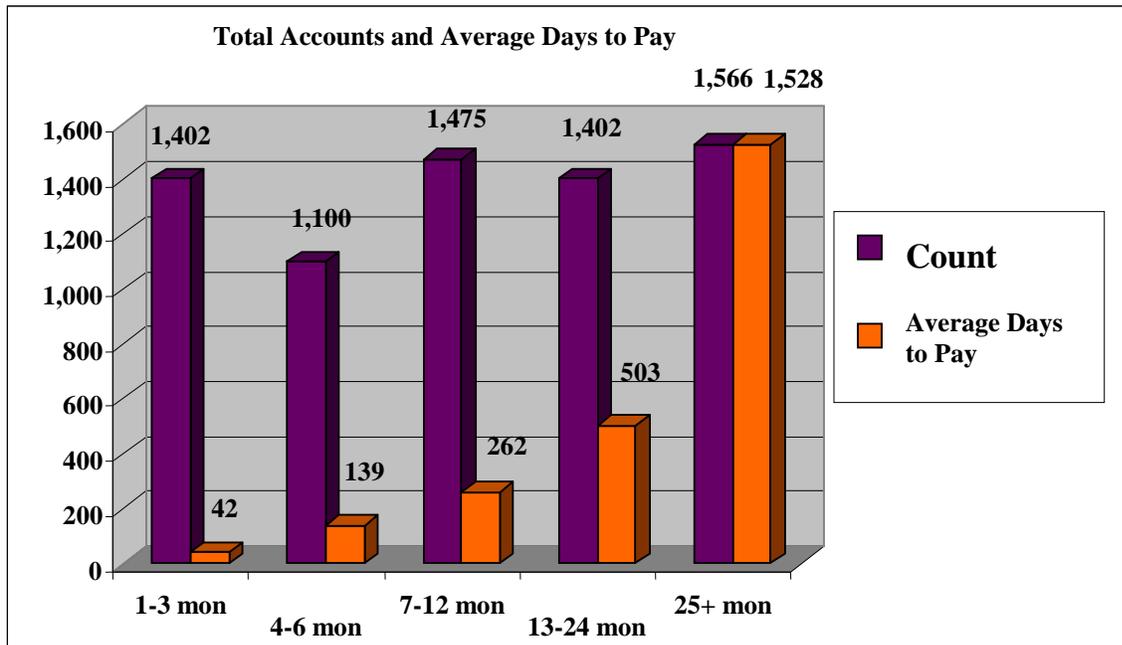
### *Routinely Re-contacting Debtors*

**Re-contacting debtors while the account is outstanding yields results.** This assures the County that your accounts are continuously being worked. We've learned over the years that a Debtor's financial situation is very

fluid and usually changes for the better as they mature, therefore, MSB never stops working an account. **The collection rate increases dramatically over time as you continue to collect on older accounts.**

The graph above demonstrates our ability to collect on "aged" accounts. The purple bars are the number of accounts paid in that timeframe and the orange bars are the average days to pay.

For example, 1,566 accounts that had been with MSB for 25+ months (although their actual age is over four years old) were paid. You can compare this with the 1,100 accounts paid that had been with MSB for 4-6 months. In summary, the majority of accounts paid (23%) are in the oldest age category. This is statistical proof that we have success with aged accounts.



**Call Monitoring**

The majority of our personnel who will be devoting their time to the County’s collection project will be our collection staff. MSB is dedicated to hiring, training and retaining quality employees, and our Quality Assurance Department effectively manages ethical collection practices.

**Frequency**

To maintain a consistent level of quality, a set number of “monitorings” must be performed for each collector on a weekly basis. The following numbers are to be followed to maintain that level of quality:

- QA Monitor is required to complete 2 “monitorings” per collector
- Team Lead is required to perform 1 monitor per collector
- Supervisor is required to perform “monitorings” on an as needed basis, i.e. client requests and quality purposes

**Tracking Reports**

The call monitorings are tracked by a daily tracker and reported to the Collection Manager on a weekly basis. Data is uploaded from the Web Service Portal and is analyzed for reporting frequency and quality trends, which may dictate additional monitorings for collectors who are displaying deficiencies in their quality of service.

**Assessing Collector Performance**

The ACD Report is used to track Collectors’ call statistics. This report is distributed daily to Managers, Supervisors, Team Leads, and Collectors so that they can track expectations and goals. This report contains the following information for Collector calls:

- Number of calls presented
- Number of calls answered
- Number of calls abandoned
- Number of calls qualified
- Collector call talk times (average daily, weekly and monthly)
- Collector CPH (Calls Per Hour)
- Wrap up time (time after each call to complete notes, etc.)
- Percentage of paid time versus active call time

Assessment of collectors’ call statistics along with the Zero Tolerance Policy and the Attendance Occurrence Policy are all indicators of the performance of the collectors.

Daily, weekly and monthly reports are used to measure the overall performance of the Collection Department. These reports provide a measure of how the department as a whole, as opposed to the individual collectors, is performing. These reports allow for the comparison of day-to-day, week-to-week, and month-to-month data for continuing evaluation of the department’s performance.

**Follow All Applicable Statutes**

MSB is known for its ethical collection services while maintaining stringent compliance with all legal practices and contract provisions. This includes the following practices:

- Member of The Association of Credit and Collection Professionals (ACA International)
- Adhere to ACA International’s Strict Code of Ethics
- Collector’s Pledge Signed by All Staff
- Compliance with All Federal, State and Local Laws
- Fully Insured

**MSB is compliant with all federal, state and local laws** and will maintain this status throughout the contract period. Furthermore, MSB shall conduct work done under this contract in strict compliance with all applicable laws related to the collection of government receivables and shall maintain all licenses according to industry standards.

| State | Collection Agency License        | State | Collection Agency License     | State | Collection Agency License         |
|-------|----------------------------------|-------|-------------------------------|-------|-----------------------------------|
| AL    | Not Required                     | LA    | Not Required                  | OK    | Not Required                      |
| AK    | No. 953573; Exp: 12/31/2016      | ME    | No. DCL8050, Exp:7/31/2016    | OR    | No. CA49755, Exp: 02/28/15        |
| AR    | No. 4286; Exp: 6/30/2015         | MD    | No. 5976, Exp. 04/19/2015     | PA    | Not Required                      |
| AZ    | No. 917724, Exp. 12/31/2015      | MI    | No. 2401001873;Exp: 6/30/2015 | RI    | Not Required                      |
| CA    | Not Required                     | MN    | No. 20437869, Exp: 6/12/2015  | SC    | Not Required                      |
| CO    | No. 991223, Exp: 7/1/2015        | MS    | Not Required                  | SD    | Not Required                      |
| CT    | No. 29117, Exp: 9/30/2015        | MO    | Not Required                  | TN    | No. 00001176; Exp: 03/06/2015     |
| DE    | No. 2004201351; Exp: 12/31/2017  | MT    | Not Required                  | TX    | Not Required                      |
| FL    | No. CCA9902174 ; Exp: 12/31/2015 | NE    | No. 725; Exp: 12/31/2015      | UT    | No. 5413572-0131, Exp: 11/07/2015 |
| GA    | Not Required                     | NV    | No. C10-00197 Exp: 10/01/2015 | VT    | Not Required                      |
| HI    | No. COLA-498, Exp: 6/30/2015     | NH    | Not Required                  | VA    | Not Required                      |

|    |                                |    |                             |    |                               |
|----|--------------------------------|----|-----------------------------|----|-------------------------------|
| ID | No. CCA7296; Exp: 3/15/2015    | NJ | Not Required                | WA | No. 601898780, Exp: 9/30/2015 |
| IL | No. 017.021519, Exp: 5/31/2015 | NM | No. 01870, Exp: 6/30/2015   | WV | No. 1051-0850, Exp. N/A       |
| IN | No. 9273; Exp: 12/31/2015      | NY | Collection License per City | WI | No. 508; Exp. 06/30/2015      |
| IA | Not Required                   | NC | No. 3710, Exp: 06/30/2015   | WY | No. 674; Exp: 04/13/2015      |
| KS | Not Required                   | ND | No. N/A, Exp: 06/30/2015    |    |                               |
| KY | Not Required                   | OH | Not Required                |    |                               |

As with all of our clients, we are cognizant of the evolving changes of collection laws and will adjust our practices as necessary to maintain compliance throughout the term of the contract. Our training program educates MSB’s staff on current legal guidelines, and our management team provides on-going notification of new laws and regulations in order to maintain compliance.

More than simply complying with all federal, state, and local, we proactively maintain a compliance program that promotes prevention, detection and resolution of any instances of non-compliance.

The collection industry is a sensitive business, in which financial issues affect our clients, their debtors, our corporate reputation and our employees. MSB’s clients can depend on the services we have contractually agreed upon being in accordance with all laws and the highest standards of ethics.

**PROCEDURES FOR OUT-OF-STATE COLLECTION EFFORTS**

MSB has developed and implemented hundreds of government collection projects, giving us the necessary tools to provide the County best-in-class collection procedures. MSB will utilize the methods provided above to collect for out-of-state debtors as well. We will make all possible attempts to locate and collect on all accounts placed with our office by the County regardless of a defendant’s location and are licensed or authorized to collect as the table below indicates:

**TIMEFRAME OF COLLECTION ACTIVITIES**

MSB will make all possible attempts to locate and collect on all accounts placed with our office by the County. In addition **we will work the accounts as long as they are with us.** MSB will use all available resources including but not limited to:

***Call Center Resources***

- Skip tracing for new contact information
- Collection letter series
- Predictive dialer which enhances productivity
- Agent free, interactive, background dialer for additional phone calls and maximum coverage
- Outbound and inbound collection calls
- Toll free telephone number
- **Extended evening and weekend hours totaling 89 hours:**
  - 6 AM to 10 PM MST Monday through Friday
  - 7 AM to 4 PM MST Saturday
- Use of collectors specifically trained to collect debt accounts
- Bilingual assistance (over 60% of collection staff)

***Phase I: Initial 60 Days***

- Once the account is placed with MSB, it is loaded onto our CRS collection system and is called on a regular basis until contact is made for payment. An initial collection letter, approved by the County, will be sent on all files outlining all fines and monies owed.
- The collection letter will provide a toll free telephone number, detailed description of the obligation and how to pay.
- All accounts with potential contact numbers will be loaded into our Interaction Intelligence Inc. v2.3 (ININ) predictive auto dialer. Attempts to contact the debtor will occur every three days at a minimum.
  - The dialer allows MSB to build call campaigns based on key account factors (i.e. County demographics, regional collection statistics and specific account types and balance ranges) to allow for best potential contacts.
  - MSB will provide general account information to the County's debtors, note any contact information changes and determine debtor indigence.
- Any account that does not have a potential contact number, found to have a bad phone number, or marked with mail return will run through our batch skip process.
  - Batch skipping is done using 1000's of national data bases to help locate new contact information for the debtor.
  - New addresses, home, work, and cell phone numbers may be returned to our collection system and special call campaigns will run in an attempt to contact the debtor.
- All new potential contact information will remain in our CRS system and contact attempts via mail and phone calls will continue. The County will have real time, online access to their accounts to review collector comments, collection activities and updated contact information.

***Phase II: Days 61 – 240***

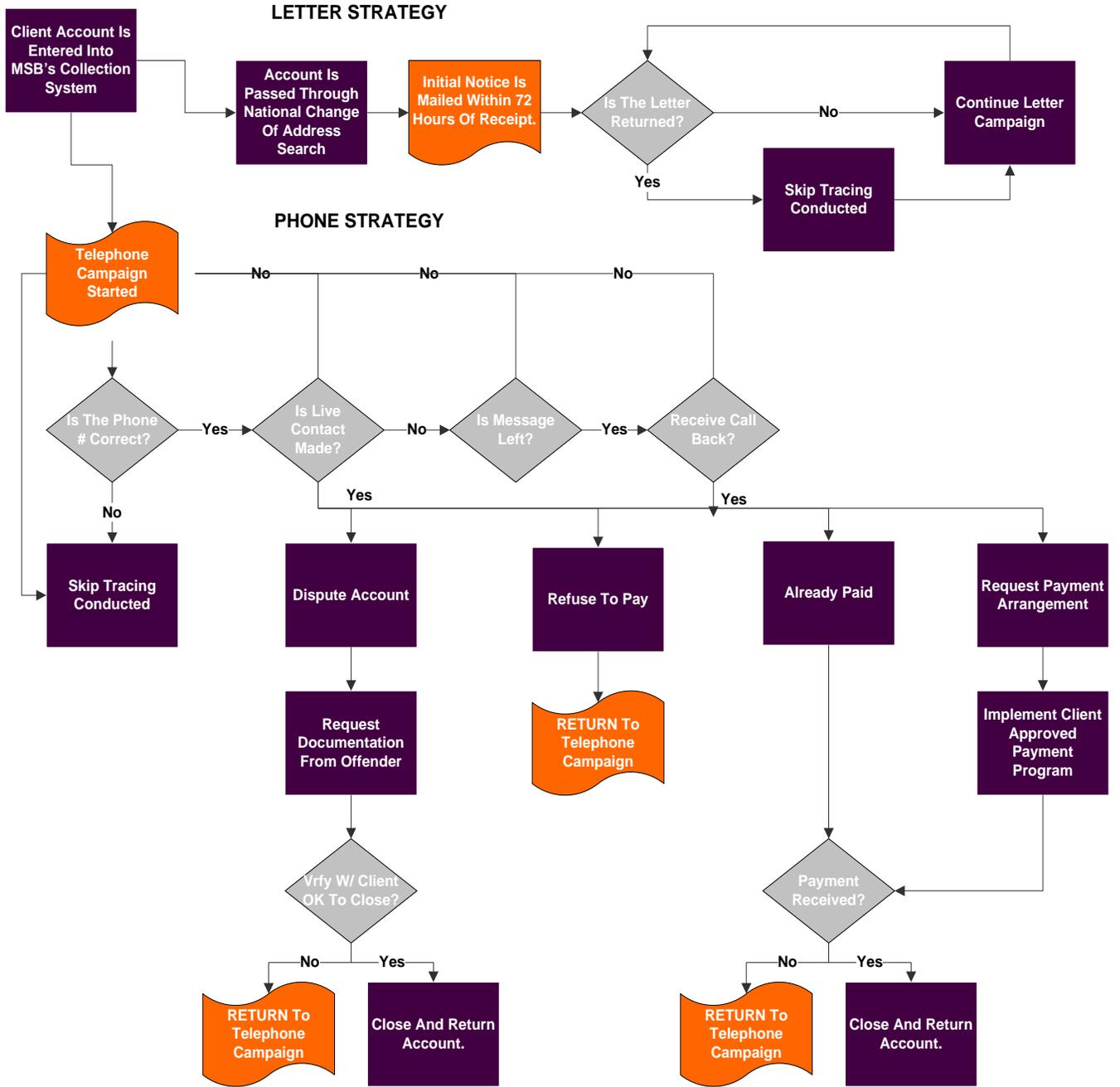
- All of the County's accounts which remain outstanding will receive additional collection notices during this time period. This is a progressive letter series in which each letter will carry stronger language.
- Collection efforts on our predictive dialer, interactive dialer, and manual calls will continue on all accounts that have good contact numbers.
- Skip trace efforts on accounts without contact information will continue.
- Manual skip efforts will take place as needed in an attempt to find new contact information on any account that does not have a telephone contact or has a mail return flag.

***Phase III: Day 241 – End of Contract***

- Periodic additional collection notices will be mailed as needed.
  - Special mailing campaigns will be created to increase payments.
- Continued collection calls will be made on all accounts with good contact numbers.
- Skip tracing continues. Once new contact information is found, calls will begin again.

Please reference a detailed collection flow chart on the following page:

Collection Flow Chart



## REFERRAL METHODS UTILIZED

MSB will work with the County to establish an acceptable method of transmission of data files. As with many of our clients, we will set-up an FTP site with a user name and password, per client, for authentication. The transmission of the file from the client is automated and is sent to us on a daily basis utilizing a script written by the client. MSB has written a script to retrieve the file from the FTP site where the file is date and time stamped and then moved to the client's directory on our secured network. All files transmitted through the FTP site are virus scanned to ensure the safety of our network. MSB offers various encryption options for file transfer to ensure security such as SFTP and PGP which are among the most popular choices. Other protocols / methods can also be made available if necessary.

MSB currently accepts files from, and produces files for, hundreds of clients around the country. These files contain referral (new) account information, payment information, adjustments and rescind (recall) information, as well as general information regarding individual accounts. MSB has the knowledge and experience to successfully receive the County's data files. MSB can accept files from the County on any media and in any format (comma, tab, pipe, tilde delimited, fixed length, variable fixed length, etc.).

## *Interfaces*

MSB's working knowledge of numerous technologies and extensive experience interfacing with clients allows our in-house staff to seamlessly adjust to each client's interface specifications. MSB will work with you to determine the preferred means of communicating including: phone, email, fixed format, comma-delimited and paper report. The following are samples of the technologies that we have experience working with:

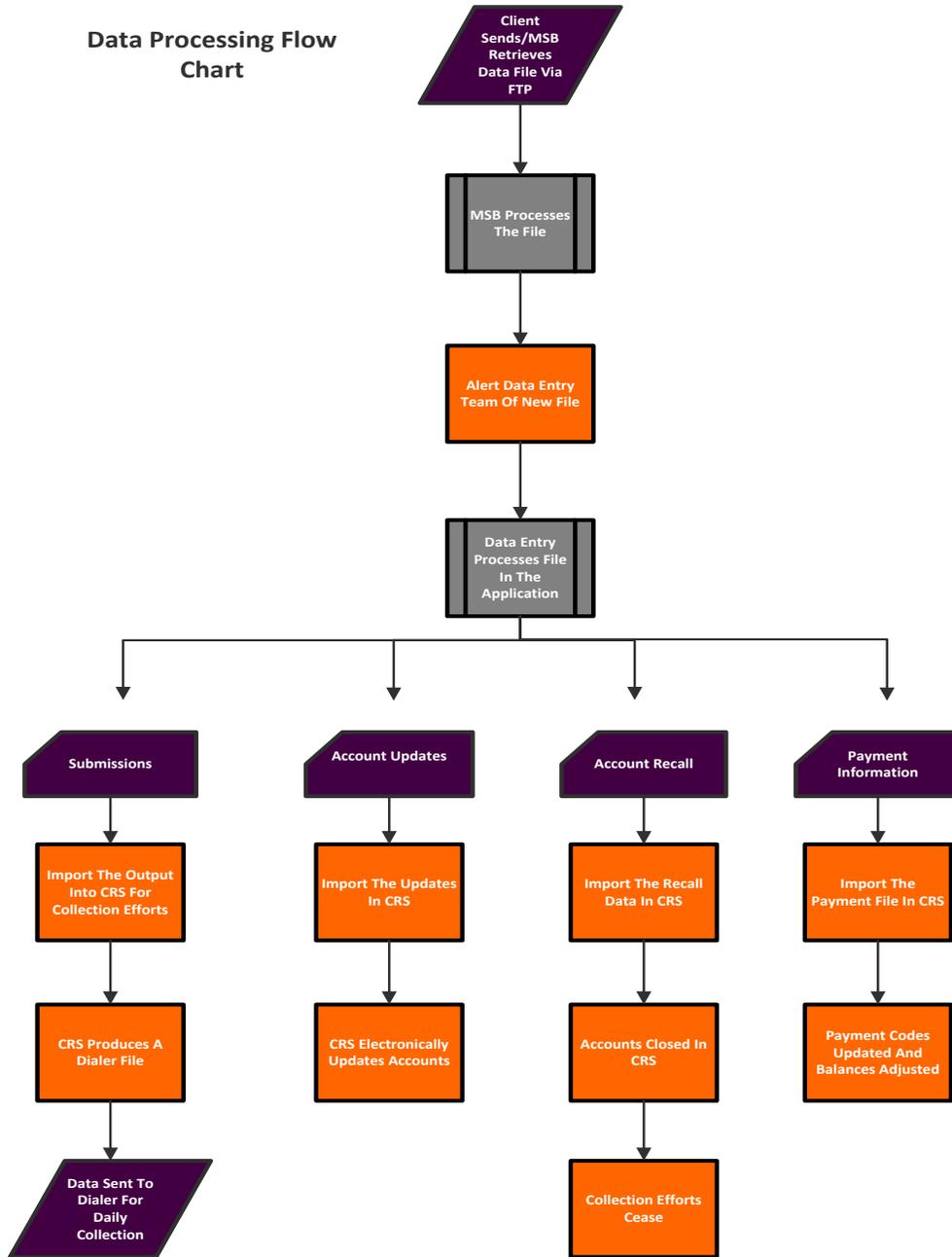
- Linux
- C
- C++
- C#
- .NET
- Visual Basic (VB)
- Scripting
- Automation
- Java
- XML

The frequency of data transfers can be made: daily, weekly, monthly, and annually or any County-determined time frame. We have found that clients who submit on a regular schedule realize higher collection results.

## *Information Flow*

The flow chart below outlines our electronic data processing process:

### Data Processing Flow Chart



## RECORD MAINTANCE

### *Record Archival*

MSB maintains accounting records in accordance with generally accepted accounting principles. MSB utilizes the Dynamics/Great Plains accounting system which is a Microsoft based application. The system provides detailed financial management options that range from general ledger, accounts payable, and accounts receivable modules to bank reporting, cash flow management and easy reconciliation.

All call recordings, dialer records, transaction paperwork and all records as they relate to collection operations are retained for a period of no less than 2 years. Financial records are retained for time periods specified by the Sarbanes-Oxley Act and SSAE 16 audit requirements.

MSB selected CR Software as our enterprise-wide Collections Resource System (CRS). CRS automates all the fundamental functions of our collection operation, from new business data entry through month end processing. With CRS, we have streamlined our collection operations by taking advantage of its automatic broken promise processing, payment processing, cash posting, collector productivity management, client status reporting and client analysis reporting.

CRS, our collection software, maintains a record of all account activity, including placement data, payment history and collection attempts. In addition, the system is a real-time, online system; therefore, accounts are immediately updated when a collector performs any action on an account. This information is then available for our client to review.

## DISPUTE RESOLUTION PROCESS

Complaints will be handled immediately. If a dispute cannot be resolved by telephone, MSB will respond in writing to any individual that requests such a response. If a debtor states that the account was previously paid, etc., we ask the individual to provide the necessary documentation to support their claim. Upon receipt of any documentation, the account is placed on "hold" and forwarded to the County or dealt with as per previously agreed-upon instructions. Upon clarification, the debtor is notified of their claim's acceptance,, of a new balance or of the fact that their claim was denied. MSB also has a debtor web portal where debtors can upload dispute information and submit complaints.

**In order to resolve a dispute as quickly as possible, MSB records 100% of all outbound and inbound phone calls.** In addition, we store the data for two years to ensure that we have adequate access to historical data in the event of a problem. Most agencies do not record calls nor store the data for multiple years. MSB's confidence in its processes and trust of its employees provides the County open access to all call data at any time for review The recordings are also used for training and, if necessary, disciplinary purposes. Our Quality Control Department regularly monitors all calls to ensure our collectors are maintaining compliance with all state, federal and local laws as well as all client regulations.

### *MSB Standard Complaint Handling Procedures*

- Payment made to client
  - Verify in Collections Resource System (CRS) of any payments made
  - If no payment made, contact client for balance due
  - Send debtor letter stating balance
- FDCPA
  - Obtain validation of debt or invoice from client
  - Give letter to compliance officer
- Attorney Accounts
  - Give letter to compliance officer
  - Inform client
- Dispute Balances
  - Search CRS for proper data (account is active, name, SSN, DOB)
  - Contact client about the dispute
  - Send letter to debtor to contact client

***Escalated Complaint Resolution Policy***

In the rare event that MSB receives written notification of a debtor dispute via the Better Business Bureau or a similar debtor advocacy organization, any law office, any state government agency, or the Federal Trade Commission, the following procedure is implemented:

- The complaint is forwarded to the Compliance Officer for review. Based upon the review, the Compliance Officer forwards the complaint to the pertinent department for a full investigation. In the event the dispute is from the Federal Trade Commission, the complaint is forwarded to the Director of Operations for investigation.
- There is a thorough investigation conducted, based upon the nature of the complaint. For example, if a debtor claims that they received a call after 9pm and in violation of FDCPA, all call records are retrieved from the dialer for review to ensure that no calls were placed outside of the allowed time frames. If a debtor claims they are being harassed, all recordings of all calls to that debtor are retrieved and reviewed by senior management.
- Results of the investigation are forwarded to the Compliance Officer who will then render a determination as to whether MSB is or is not in violation of FDCPA, FCRA, and other laws. Appropriate actions taken are:
  - If MSB is in compliance with all applicable laws, the organization/agency which forwarded the complaint is notified that MSB has reviewed the account and determined that it acted in accord with regulations. In the account of government agencies, all requested evidentiary support is provided. The account is closed internally.
- MSB is aware that complaints may not arise for weeks, months, or up to a year from the date of occurrence. As such, call recordings, dialer records, transaction paperwork, and all records as they relate to collection operations are retained for a period of no less than two years. Financial records are retained for time periods specified by the Sarbanes-Oxley Act and SSAE No. 16 audit requirements.

**ESCALATION TRAINING**

As the economic climate declines, debtors are becoming more disgruntled. In order for our customer service representatives and agents to avoid being drawn into a debtor's anger, MSB has implemented a unique course to train our staff to de-escalate calls. The collectors are trained to deal with an individual's emotional issues allowing them to shift the conversation to solving the problem at hand – collecting an outstanding obligation. If the debtor is too upset to assist in solving the problem, staff is trained to transfer a call to another customer service representative or team lead. The process continues to the next collector who can then escalate the call to a supervisor if needed and finally to the Collection Manager. It is paramount that our collectors remain professional and ethical at all times regardless of what a debtor may say to them. Our number one goal is accountability and respect.

**PROCEDURES FOR OBTAINING CIVIL JUDGMENTS AND GARNISHMENTS**

Based on Arizona law, to pursue a garnishment through an Arizona court, the money or property targeted must be in Arizona. An Arizona garnishment proceeding cannot be used to collect money or property located in another state. Therefore, MSB recommends first focusing our legal efforts on debtors who reside in Arizona. If, at the request of the County, it is determined that out-of-state debtors should be considered for wage garnishment, MSB will locate an attorney in the state the debtor resides to handle the process.

Once a money judgment is entered in favor of a party, that party becomes a judgment creditor. Since 75% - 93% of the accounts to be referred by the County already have a judgment associated with them, MSB will further recommend starting with these accounts. We will search for assets and/or employment information to determine which accounts should be recommended for wage garnishment. Once approved by the County, we will start the process to obtain the money from the judgment debtor assuming they won't pay voluntarily or through normal collection channels such as telephone calls and collection notices. The collection can come from wages, commissions, pensions or bonuses owed to the judgment debtor or money or property owed the judgment debtor that is in possession of a third party including rent, bank account or the contents of a safe deposit box. If, at the County's request, it is determined to file a judgment on the remaining accounts, MSB will follow the laws of Arizona on obtaining a judgment or the laws of the state in which the debtor resides if out-of-state.

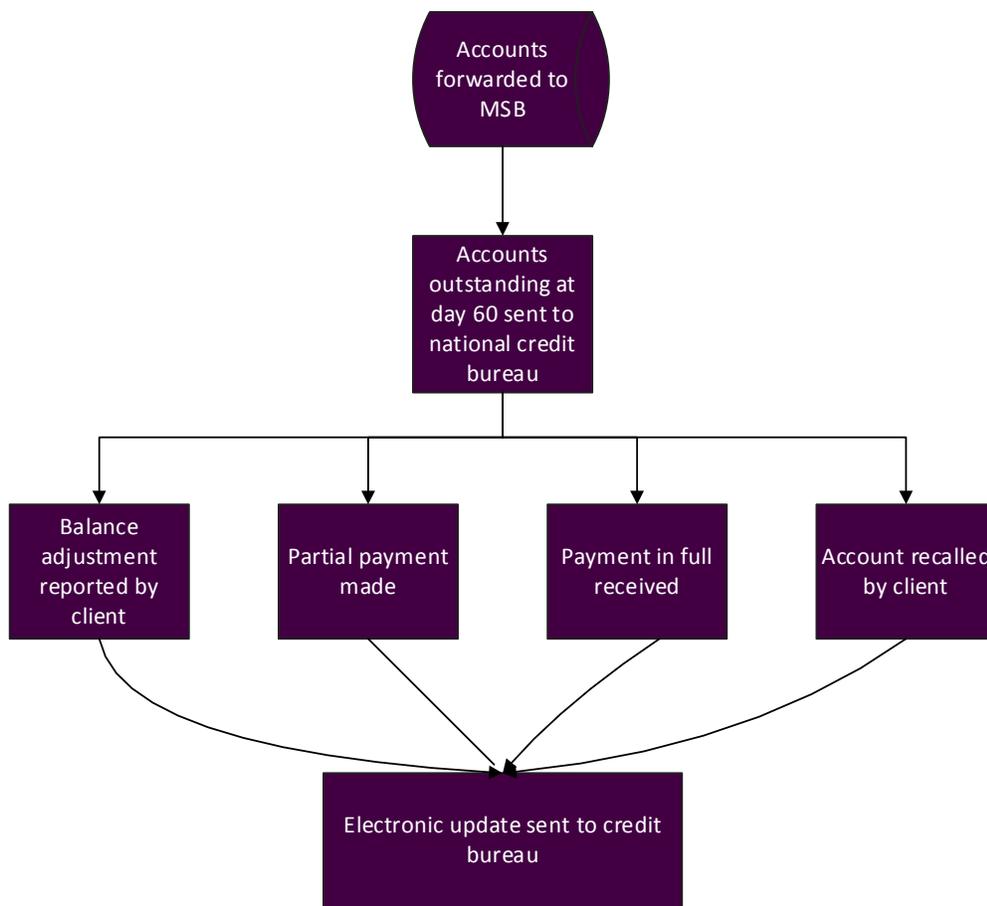
This process will be monitored and managed by MSB's Of-Counsel, Lee Rigby. He will work with local Arizona law firms to fill out the appropriate paperwork necessary to begin the garnishment process. It is crucial that we have accurate financial information on a debtor or penalties can occur. The entire process will be reported back to the County and no legal proceedings will occur without prior authorization from the County.

**CREDIT BUREAU REPORTING**

Upon request, MSB will submit accounts to a credit bureau. We typically do this at day 60 but the City may request an alternative timeline. All correspondence with debtors may contain this language. MSB actively reports to a nationwide credit bureau.

MSB's internal policy is to not report accounts to credit bureaus that do not have a social security number unless approved by the client. Credit bureau reporting is a useful tool in attempting to collect a debt and is recommended by MSB. We have provided a flow chart of the process below:

**Credit Bureau Reporting Flow Chart**



MSB has extensive experience with collection contracts across the United States; many which are very large entities similar to the County, including the **Municipal Court of Phoenix, Arizona**. Please read below for detailed information on these contracts and how MSB has successfully managed large projects. We have also included References (Attachment C, Respondent's References) as **Exhibit D** of this proposal.

**IMPLEMENTATION PLAN TO RAMP-UP FOR CONTRACTOR OPERATIONS**

Partnering with MSB allows the County to utilize existing processes, eliminates the need to devote large amounts of staff time and negates lengthy collection delays involved during implementation. MSB is committed to utilizing our twenty-three years of best practices to achieve **the goal of providing a premier collection solution for the County**. MSB's services are flexible to adapt to the County's needs as they change

or as enhancements become available. We have an existing infrastructure, call center, trained collectors, and skilled information technology personnel to provide a fully operational solution.

**MSB offers a 30 day implementation for clients that** allow the County to immediately realize lost revenue that has gone uncollected. Once MSB receives the accounts, we begin collection efforts immediately.

**County’s Assistance**

MSB is able to offer the County a turnkey solution for its needs that has been proven successful. We have the financial, technical, and personnel resources already in place to fully execute the County’s project. Using experience gained by collecting on behalf of over 600 governmental agencies, MSB will be able to offer the County a superior collection program that will maximize revenue.

MSB is dedicated to providing the County timely, efficient service. On occasions, MSB will rely on the County to provide certain information in order for us to remain on schedule. Those instances have been designated in the tables on the following pages.

**Implementation Work Plan**

We have provided a standard Implementation Work Plan, based on business days, on the following pages for the County’s review.

**Discovery: Phase I**

| Task Name                                    | Start      | End        | Duration (Days) | Client Involvement |
|--|------------|------------|-----------------|--------------------|
| Signed Contract to Client Services           | 05/01/2015 | 05/01/2015 | 1               |                    |
| Client Contact                               | 05/04/2015 | 05/04/2015 | 1               | √                  |
| Send Client Setup Packet                     | 05/04/2015 | 05/04/2015 | 1               | √                  |
| Begin New Client Implementation Checklist    | 05/05/2015 | 05/05/2015 | 1               |                    |
| Client Implementation Meeting                | 05/05/2015 | 05/05/2015 | 1               | √                  |
| Client IT Meeting                            | 05/05/2015 | 05/05/2015 | 1               | √                  |
| Forward Sample Letters, Reports and Invoices | 05/06/2015 | 05/06/2015 | 1               |                    |
| Client Sends Finished Business Requirements  | 05/07/2015 | 05/07/2015 |                 | √                  |

**Implementation: Phase 2**

| Task Name                                       | Start      | End        | Duration | Client Involvement |
|---|------------|------------|----------|--------------------|
| Testing   | 05/08/2015 | 06/04/2015 | 20       |                    |
| Client Sends Test File(s)                       | 05/08/2015 | 05/08/2015 | 1        | √                  |
| Set-up Transfer Process                         | 05/11/2015 | 05/13/2015 | 3        |                    |
| Analyze Test File/ Set-up CRS Accounts          | 05/14/2015 | 05/19/2015 | 4        |                    |
| Send Scope to IT for Scripting                  | 05/20/2015 | 05/20/2015 | 1        |                    |
| Write Script for Uploading Submissions          | 05/21/2015 | 05/29/2015 | 7        |                    |
| Establish Payment Report Specifics              | 06/01/2015 | 06/03/2015 | 3        |                    |
| Send Final Process Specs to Client              | 06/04/2015 | 06/04/2015 | 1        |                    |
| Approve Final Process Specs                     | 06/05/2015 | 06/05/2015 | 1        | √                  |
| Receive Approval for Letters, Reports, Invoices | 06/08/2015 | 06/08/2015 | 1        | √                  |

**Go Live: Phase 3**

| Task Name   | Start      | End        | Duration | Client Involvement |
|---|------------|------------|----------|--------------------|
| Prep  | 06/09/2015 | 06/11/2015 | 3        |                    |
| Create Go-Live Checklist; Obtain Signoff                    | 06/09/2015 | 06/10/2015 | 2        | √                  |
| Set-up Go-Live Prep Meetings                                | 06/09/2015 | 06/09/2015 | 1        |                    |
| Provide Specifics to CRS and Collections Manager            | 06/09/2015 | 06/09/2015 | 1        |                    |
| Arrange Training for MSB Operations                         | 06/09/2015 | 06/09/2015 | 1        |                    |
| Confirm Go-Live Ready and Submission Start Date with Client | 06/10/2015 | 06/10/2015 | 1        | √                  |
| Client Sends Live File                                      | 06/10/2015 | 06/10/2015 | 1        | √                  |
| Live File Loaded  | 06/11/2015 | 06/11/2015 | 1        |                    |
| Collection Activities Begin                                 | 06/11/2015 | 06/11/2015 | 1        |                    |

**GILA LLC D/B/A MUNICIPAL SERVICES BUREAU, 8325 TUSCANY WAY, AUSTIN, TX 78754**

PRICING SHEET: NIGP CODE 94633

|                           |   |
|---------------------------|---|
| Terms:                    | NET 30  |
| Vendor Number:            | 2011006179 0                                    |
| Certificates of Insurance | Required  |
| Contract Period:          | To cover the period ending <b>May 31, 2018.</b> |