

SERIAL 16067 ITN BUSINESS PERSONAL PROPERTY AUDIT SERVICES

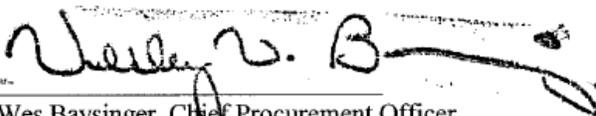
DATE OF LAST REVISION: January 28, 2016 CONTRACT END DATE: January 31, 2017

CONTRACT PERIOD THROUGH JANUARY, 31, 2016

TO: All Departments
FROM: Office of Procurement Services
SUBJECT: Contract for **BUSINESS PERSONAL PROPERTY AUDIT 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 **January 28, 2016 (Eff. 02/01/16)**.

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.


Wes Baysinger, Chief Procurement Officer
Office of Procurement Services

BW/at
Attach

Copy to: Office of Procurement Services
Justin Frank, Assessor's Office



CONTRACT PURSUANT TO ITN

SERIAL 16067-ITN

This Contract is entered into this 28th day of January, 2016 by and between Maricopa County ("County"), a political subdivision of the State of Arizona, and Tax Management Associates, a North Carolina corporation ("Contractor") for the purchase of business personal property audit services.

1.0 CONTRACT TERM:

- 1.1 This Contract is for a term of one (1) year, beginning on the 1st day of February, 2016 and ending the 31st day of January, 2017.
- 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 four (4) one (1) year annual terms not to exceed a total of five (5) 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 As consideration for performance of the duties described herein, County shall pay Contractor the sum(s) stated in Exhibit "A."
- 3.2 Payment shall be made upon the County's receipt of a properly completed invoice.
- 3.3 INVOICES:

3.3.1 The Contractor shall submit one (1) legible copy of their detailed invoice before payment(s) can be made. Incomplete invoices will not be processed. 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
- Quantity (number of days or weeks)
- Contract Item number(s)

- Description of Purchase (product or services)
- Pricing per unit of purchase
- Freight (if applicable)
- Extended price
- Mileage w/rate (if applicable)
- Arrival and completion time (if applicable)
- Total Amount Due

3.3.2 Problems regarding billing or invoicing shall be directed to the using agency as listed on the Purchase Order.

3.3.3 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>).

3.3.4 Discounts offered in the contract shall be calculated based on the date a properly completed invoice is received by the County (ROI).

3.3.5 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.

3.4 APPLICABLE TAXES:

3.4.1 **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.

3.4.2 **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.

3.4.3 **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.

3.5 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.

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

3.6.1 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.

3.7 INTERGOVERNMENTAL COOPERATIVE PURCHASING AGREEMENTS (ICPA's)

3.7.1 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:

To the fullest extent permitted by law, and to the extent that claims, damages, losses or expenses are not covered and paid by insurance purchased by the Contractor, the Contractor shall defend indemnify and hold harmless the County (as Owner), its agents, representatives, agents, officers, directors, officials, and employees from and against all claims, damages, losses, and expenses (including, but not limited to attorneys' fees, court costs, expert witness fees, and the costs and attorneys' fees for appellate proceedings) arising out of, or alleged to have resulted from the negligent acts, errors, omissions, or mistakes relating to the performance of this Contract.

Contractor's duty to defend, indemnify, and hold harmless the County, its agents, representatives, agents, officers, directors, officials, and employees shall arise in connection with any claim, damage, loss, or expense that is attributable to bodily injury, sickness, disease, death or injury to,

impairment of, or destruction of tangible property, including loss of use resulting there from, caused by negligent acts, errors, omissions, or mistakes in the performance of this Contract, but

only to the extent caused by the negligent acts or omissions of the Contractor, a subcontractor, any one directly or indirectly employed by them, or anyone for whose acts they may be liable,

regardless of whether or not such claim, damage, loss, or expense is caused in part by a party indemnified hereunder.

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.

The scope of this indemnification does not extend to 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 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 Insureds.

6.2.7 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.

6.2.8 **Commercial General Liability.**

Commercial General Liability insurance and, if necessary, Commercial Umbrella insurance with a limit of not less than \$2,000,000 for each occurrence, \$4,000,000 Products/Completed Operations Aggregate, and \$4,000,000 General Aggregate Limit. The policy shall include coverage for premises liability, bodily injury, broad form

property damage, personal injury, products and completed operations and blanket contractual coverage, and shall not contain any provisions which would serve to limit

third party action over claims. There shall be no endorsement or modifications of the CGL limiting the scope of coverage for liability arising from explosion, collapse, or underground property damage.

6.2.9 **Automobile Liability.**

Commercial/Business Automobile Liability insurance and, if necessary, Commercial Umbrella insurance with a combined single limit for bodily injury and property damage of not less than \$1,000,000 each occurrence with respect to any of the Contractor's owned, hired, and non-owned vehicles assigned to or used in performance of the Contractor's work or services or use or maintenance of the Premises under this Contract.

6.2.10 **Workers' Compensation.**

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.

Contractor, its contractors and its subcontractors waive all rights against Contract 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, its contractors and its subcontractors pursuant to this Contract.

6.2.11 **Professional Liability.**

Contractor shall maintain Professional Liability insurance which will provide coverage for any and all acts arising out of the work or services performed by the Contractor under the terms of this Contract, with a limit of not less than \$1,000,000 for each claim, and \$1,000,000 aggregate claims.

6.2.12 **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.

6.2.13 **Cyber**

Policy Limit:

6.2.13.1 The policy shall be issued with minimum limits of \$100,000.

6.2.13.2 The policy shall include coverage for all directors, officers, agents and employees of the Contractor.

6.2.13.3 The policy shall **include coverage for third party fidelity.**

6.2.13.4 The policy shall **include coverage for theft.**

6.2.13.5 The policy shall **contain no requirement for arrest and conviction.**

6.2.13.6 The policy shall cover loss outside the premises of the **Named Insured.**

6.2.13.7 The policy shall endorse **(Blanket Endorsements are not acceptable)** the Department as **Loss Payee** as our interest may appear.

6.2.14 Cancellation and Expiration Notice.

Applicable to all insurance policies required within the Insurance Requirements of this Contract, Contractor's insurance shall not be permitted to expire, be suspended, be canceled, or be materially changed for any reason without thirty (30) days prior written

notice to Maricopa County. Contractor must provide to Maricopa County, within 2 business days of receipt, if they receive notice of a policy that has been or will be suspended, canceled, materially changed for any reason, has expired, or will be expiring. Such notice shall be sent directly to Maricopa County Office of Procurement

Services and shall be mailed or hand delivered to 320 West Lincoln Street, Phoenix, AZ 85003, or emailed to Procurement Officer noted in solicitation.

6.3 FORCE MAJEURE:

- 6.3.1 Neither party shall be liable for failure of performance, nor incur any liability to the other party on account of any loss or damage resulting from any delay or failure to perform all or any part of this Contract if such delay or failure is caused by events, occurrences, or causes beyond the reasonable control and without negligence of the parties. Such events, occurrences, or causes will include Acts of God/Nature (including fire, flood, earthquake, storm, hurricane or other natural disaster), war, invasion, act of foreign enemies, hostilities (whether war is declared or not), civil war, riots, rebellion, revolution, insurrection, military or usurped power or confiscation, terrorist activities, nationalization, government sanction, lockout, blockage, embargo, labor dispute, strike, interruption or failure of electricity or telecommunication service.
- 6.3.2 Each party, as applicable, shall give the other party notice of its inability to perform and particulars in reasonable detail of the cause of the inability. Each party must use best efforts to remedy the situation and remove, as soon as practicable, the cause of its inability to perform or comply.
- 6.3.3 The party asserting *Force Majeure* as a cause for non-performance shall have the burden of proving that reasonable steps were taken to minimize delay or damages caused by foreseeable events, that all non-excused obligations were substantially fulfilled, and that the other party was timely notified of the likelihood or actual occurrence which would justify such an assertion, so that other prudent precautions could be contemplated.
- 6.3.4 The County shall reserve the right to terminate this Contract and/or any applicable order or contract release purchase order upon non-performance by Contractor. The County shall reserve the right to extend the Contract and time for performance at its discretion.

6.4 WARRANTY OF SERVICES:

- 6.4.1 The Contractor warrants that all services provided hereunder will conform to the requirements of the Contract, including all descriptions, specifications and attachments made a part of this Contract. County's acceptance of services or goods provided by the Contractor shall not relieve the Contractor from its obligations under this warranty.
- 6.4.2 In addition to its other remedies, County may, at the Contractor's expense, require prompt correction of any services failing to meet the Contractor's warranty herein. Services corrected by the Contractor shall be subject to all the provisions of this Contract in the manner and to the same extent as services originally furnished hereunder.

6.5 INSPECTION OF SERVICES:

- 6.5.1 The Contractor shall provide and maintain an inspection system acceptable to County covering the services under this Contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to County during contract performance and for as long afterwards as the Contract requires.

- 6.5.2 County has the right to inspect and test all services called for by the Contract, to the extent practicable at all times and places during the term of the Contract. County shall perform inspections and tests in a manner that will not unduly delay the work.
- 6.5.3 If any of the services do not conform to Contract requirements, County may require the Contractor to perform the services again in conformity with Contract requirements, at no cost to the County. When the defects in services cannot be corrected by re-performance, County may:
 - 6.5.3.1 Require the Contractor to take necessary action to ensure that future performance conforms to Contract requirements; and
 - 6.5.3.2 Reduce the Contract price to reflect the reduced value of the services performed.
- 6.5.4 If the Contractor fails to promptly perform the services again or to take the necessary action to ensure future performance in conformity with Contract requirements, County may:
 - 6.5.4.1 By Contract or otherwise, perform the services and charge to the Contractor, through direct billing or through payment reduction, any cost incurred by County that is directly related to the performance of such service; or
 - 6.5.4.2 Terminate the Contract for default.

6.6 REQUIREMENTS CONTRACT:

- 6.6.1 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.
- 6.6.2 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.
- 6.6.3 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.

6.7 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.

6.8 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—

- 6.8.1 Cancel the stop-work order; or
- 6.8.2 Terminate the work covered by the order as provided in the Default, or the Termination for Convenience of the County, clause of this contract.
- 6.8.3 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.

6.9 UNCONDITIONAL TERMINATION FOR CONVENIENCE:

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

6.10 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:

- 6.10.1 Deliver the supplies or to perform the services within the time specified in this contract or any extension;
- 6.10.2 Make progress, so as to endanger performance of this contract; or
- 6.10.3 Perform any of the other provisions of this contract.
- 6.10.4 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.

6.11 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.

6.12 CONTRACTOR LICENSE REQUIREMENT:

6.12.1 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.

6.12.2 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.

6.13 SUBCONTRACTING:

6.13.1 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.

6.13.2 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.

6.14 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.

6.15 ADDITIONS/DELETIONS OF SERVICE:

6.15.1 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.

6.15.2 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.

6.16 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.

6.17 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.

6.18 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.

6.19 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://azmemory.azlibrary.gov/cdm/singleitem/collection/execorders/id/680/rec/1> 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 other individual in any way because of that person's age, race, creed, color, religion, sex, disability or national origin.

6.20 CERTIFICATION REGARDING DEBARMENT AND SUSPENSION:

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

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

6.20.1.2 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;

6.20.1.3 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

6.20.1.4 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.

6.20.2 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.

6.21 VERIFICATION REGARDING COMPLIANCE WITH ARIZONA REVISED STATUTES §41-4401 AND FEDERAL IMMIGRATION LAWS AND REGULATIONS:

6.21.1 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.

6.21.2 The County retains the legal right to inspect contractor and subcontractor employee documents performing work under this Contract to verify compliance with paragraph 6.21.1 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.

6.22 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:

6.22.1 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,

6.22.2 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.

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

6.23.1 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.

6.23.2 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.

6.23.3 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.

6.24 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.

6.25 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.

6.26 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.

6.27 PRICES:

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

6.28 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.

6.29 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.

6.30 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.

6.31 CONFIDENTIALITY:

The Contractor shall comply with the reporting requirements of A.R.S. § 42-15053 (F).

6.32 ORDER OF PRECEDENCE:

In the event of a conflict in the provisions of this Contract and the Contractor's proposal, the Scope of Work (Exhibit B) shall prevail.

6.33 INCORPORATION OF DOCUMENTS:

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

- 6.33.1 Exhibit A, Pricing;
- 6.33.2 Exhibit B, Scope of Work; and
- 6.33.3 Exhibit C, Contractor's Proposal

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:

Tax Management Associates
ATTN: Chip Cooke
2225 Coronation Blvd.
Charlotte, NC 28227

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

CONTRACTOR:



AUTHORIZED SIGNATURE

BRIAN H. LOHER, CFO

PRINTED NAME AND TITLE

2225 CORONATION BLVD, CHARLOTTE, NC 28227
ADDRESS

2/2/2016

DATE

MARICOPA COUNTY:



CHIEF PROCUREMENT OFFICER

2/9/16

DATE

APPROVED AS TO FORM:



LEGAL COUNSEL

Feb 5, 2016

DATE

**EXHIBIT A
PRICING**

SERIAL 16067-ITN
 NIGP CODE: 91804, 94620
 COMPANY NAME: Tax Management Associates, Inc.
 VENDOR NO. 2011006797
 MAILING ADDRESS: 2225 Coronation Blvd.
Charlotte, NC 28227
 TELEPHONE NUMBER: 704-847-1234
 FACSIMILE NUMBER: 704.708.8400
 WEB SITE: www.tmal.com
 REPRESENTATIVE NAME: Richard H. (Chip) Cooke, Jr.
 REPRESENTATIVE PHONE NUMBER: 704-847-1234
 REPRESENTATIVE E-MAIL: chip.cooke@tmal.com

YES NO REBATE

WILL ALLOW OTHER GOVERNMENTAL ENTITIES TO PURCHASE FROM THIS CONTRACT: [X] []

WILL ACCEPT PROCUREMENT CARD FOR PAYMENT: [] [X]
 PAYMENT TERMS: NET 30 DAYS

1.0 PRICING:

		No. of Accounts	Total Cost
1.1.1 Cost per audit account performed (Class S)	\$ 500.00	109	\$ 54,500.00
1.1.2 Cost per audit account performed (Class A)	\$ 700.00	77	\$ 53,900.00
1.1.3 Cost per audit account performed (Class B)	\$ 1,400.00	10	\$ 14,000.00
1.1.4 Cost per audit account performed (Class C)	\$ 2,200.00	7	\$ 15,400.00
1.1.5 Cost per audit account performed (Class D)	\$ 6,000.00	4	\$ 24,000.00
1.1.6 Cost per audit account performed (Class D3)	\$ 10,000.00	1	\$ 10,000.00
Note: The above pricing includes all travel costs			\$ 171,800.00
1.2 Hourly rate cost for State Board of Equalization hearing	\$ 200.00		
1.3 Hourly rate for Trial Preparation and Expert Witness Testimony	\$ 350.00		
1.4 Hourly Labor Rate for Optional Services (list as needed)	\$ -	See below	
	Technical Support \$50.00 per hour		
	Staff Auditor \$75.00 per hour		

EXHIBIT B SCOPE OF WORK

In Scope

The Contractor shall be responsible for conducting business personal property audits or BPPA's (as detailed in Contractor's Policy and Procedures). All requirements of this contract are the responsibility of the Contractor that include but are not limited to travel, food, lodging, interview, and submission of work papers. Additionally, the Contractor shall be available to attend the Arizona State Board of Equalization hearings when the board considers the omitted or incorrectly reported personal property or provide expert witness testimony in a related court case.

Work and Deliverable

Contractor shall provide Deliverables/Services and staff, and otherwise do all things necessary for or incidental to the performance of work, as set forth below:

- A. The Contractor shall develop and provide, a written audit program containing procedures for conducting BPPA's in Maricopa County, Arizona (for each property owner account as detailed in Contractor's Policy and Procedures). The purpose of this program is to guide the Contractor's staff in their work and as a means of allowing the Assessor to determine whether all appropriate procedures identified in the Contractor's audit program are complete. The audit program will be a practical guide used in the completion of a given audit but the Assessor recognizes that some procedures may not be necessary or appropriate all audit situations. The extent of audit procedures completed depends on the size and nature of the property owner's business, the nature and extent of its property and the results of initial audit procedures.

The BPPA shall include at a minimum:

1. An inspection of the property - During this inspection, test a sampling of property to verify the completeness and accuracy of the owner's fixed asset records, and identify any tangible expensed items identified assessed as supplies on hand. Note observations in the audit work papers.
2. A detailed initial interview with the property owner or one or more representatives or Authorized Agents, who are knowledgeable regarding the financial activities, business activities and operations of the property owner - Interviews of a representative who lacks personal operational or accounting knowledge are not sufficient. A representative with personal operational knowledge should have at least one (1) or more year(s) of work history with the business being audited and shall be a CPA, senior employee with budget, accounting and finance experience, or supervisors and employees who are familiar with the business operation.
3. An exit interview with the property owner or representative to discuss audit determinations and any aspects/issues of the audit that the property owner requests to discuss - Within 20 business days of the initial interview, Contractor will complete the asset and expense analysis and schedule an exit interview with the property owner or representative. The Contractor should make reasonable efforts to conduct the exit interview in person. The Contractor shall provide the Assessor's Office with a copy of the minutes of each such exit interview with work papers. The Contractor should notify the Assessor or his or her representative of the exit interview so they may attend the exit interview if they choose to. The Contractor should provide the property owner or representative a short written summary of the audit results at the exit interview or within 10 business days if adjustments need to be made and an explanation of any matters the auditor deems significant. The property owner or representative may request an explanation of specific audit determinations. If a property owner or representative does not cooperate in the scheduling of an exit interview, the work papers shall reflect that reason for not scheduling the exit interview.
4. Verification of both the authenticity and reliability of the property owner's asset records and expense records related to the supplies on hand estimate

5. A summary of assessable costs by schedule and equipment class by year of acquisition for all years audited, with supporting work paper documentation that contains a complete asset listing for the property owner and allows a reviewer to follow the auditor's review and reconciliation process that has led to the develop of the summary.
6. Review and application of the additional depreciation where appropriate
7. Review and proper application of the Statutory Exemption, if applicable
8. Review of construction work in progress accounts.
9. Review of reporting of rebooked costs.
10. The following audit work paper requirements shall be fulfilled by the Contractor:
 - a) Within 20 business days after completing the audit, submit the audit work papers to in electronic format to the Assessor.
 - b) The audit work papers shall include the minutes of the initial interview with the property owner, representative who has personal operational knowledge of the financial record keeping practices for any business personal property owned, or that they have charge or control of, in Maricopa County, Arizona. The work papers shall also include minutes of exit interviews. If no exit interview occurred, include documentation of attempts to schedule an interview in the work papers.
 - c) The audit work papers shall include the record of a personal inspection of the property owner's location.
 - d) The audit work papers shall include a complete and comprehensive listing of the property owner's fixed assets including supplies on hand in Maricopa County, Arizona on 12-31-14 (Tax Year 2015) and 12-31-13 (Tax Year 2014) and a reconciliation between that listing and the summary of assets used to calculate the owner's assessments for those two years. If the business has an operating history less than two (2) years, then the audit work papers shall include information as of the dates of operation.
 - e) The audit work papers shall include materials which evidence the documentation and process(es) used to authenticate the listing of the owner's fixed assets including the supplies on hand.
 - f) The audit work papers shall include a listing of the specific procedures in the audit program actually performed.
 - g) The audit work papers shall include the real property information used as the basis for determining the allocation of fixed assets expenditures between the real property and personal property assessments.
 - h) The audit work papers shall include a summary of assessable costs by schedule and equipment class by year of acquisition for all years audited, application of the additional depreciation and the statutory exemption if applicable for Tax Years 2015 and 2014. If the business has an operating history less than two (2) years, then the audit work papers shall include information as of the dates they were in business.
11. When conducting the BPPA's, the Contractor should document the following:
 - a) Property location changes
 - b) Impending property location change
 - c) Other business changes, such as a pending or recent sale, closing, or transfer

The Contractor shall provide a separate report to the Assessor regarding such changes or potential changes. Such reports shall include; (1) address, (2) company name, (3) Parcel and Business Personal Property ID numbers (as assigned by the Assessor) (4) business personal property assets at that location and (5) real property buildings or other structures.

- B. The Contractor shall provide information that demonstrates the following:

1. The Contractor's full and part-time staff and its sub-Contractors have a sufficient knowledge of account procedures, methods and terminology so that they will successfully complete the contemplated audit activity. In all cases, this knowledge should include an understanding of the meaning and practical
 2. application of concepts, such as (but not limited to) capitalization, capitalized costs, direct costs, indirect costs, construction in progress, amortization, expensing, acquisition dates, place-in-service dates, leasehold improvements, real property, tangible personal property, intangible personal property, fixed assets, and trade fixtures and should include familiarity with the examination procedures that are applicable to accounting documents such as fixed asset listing, depreciation schedules, disposal schedules, expense journals, adjusted trial balances, charts of account, general ledgers, balance sheets, income statements, and audited financial statements. If the audit program includes property owners that own large industrial facilities, property in multiple jurisdictions, publicly traded, or the product of an acquisition, reorganization, or merger process resulting in the application of the purchase method or similar asset revaluation procedures, then the Contractor should also demonstrate that it has the experience and advanced accounting knowledge to accomplish the more complex audit procedures required for such owners.
 3. The Contractor's full and part-time staff and its sub-Contractors should possess a sufficient understanding of Arizona assessment laws, policies, case law, rules, regulations, guidelines and procedures to complete the audit activity successfully in accordance with the requirements of the Maricopa County Assessor's Office.
 4. The Contractor has the financial resources to complete its obligations under this contract, including the ability to carry out its responsibilities during the period between commencement of the project and completion of any given audit, the ability to hire and retain adequate staff and/or sub-Contractors, and the ability to meet its financial obligations as they fall due in the normal course of business.
- C. The Contractor shall provide a price per audit as identified in Contractor's Policy and Procedures.
- i. Include hourly cost for State Board of Equalization hearing.
 - ii. Include hourly cost for Trial Preparation and Expert Witness Testimony in case audit claim goes to trial.

EXHIBIT C CONTRACTOR PROPOSAL

II. COMPREHENSIVE RESPONSE

Executive Summary

Tax Management Associates Inc. (TMA) is pleased to provide this proposal to Maricopa County for Business Personal Property Audit Services (Solicitation 16067-ITN). TMA is the nation's largest and most experienced provider of business personal property auditing and consulting services. Since 1979 TMA has only served the interests of state and local government. Since 1987, TMA's core business has revolved around personal property auditing for local jurisdictions. TMA has performed these services for over five hundred (500) state and local government clients in eighteen (18) states including statewide programs for both the Kentucky Revenue Cabinet and the Michigan Department of Treasury.

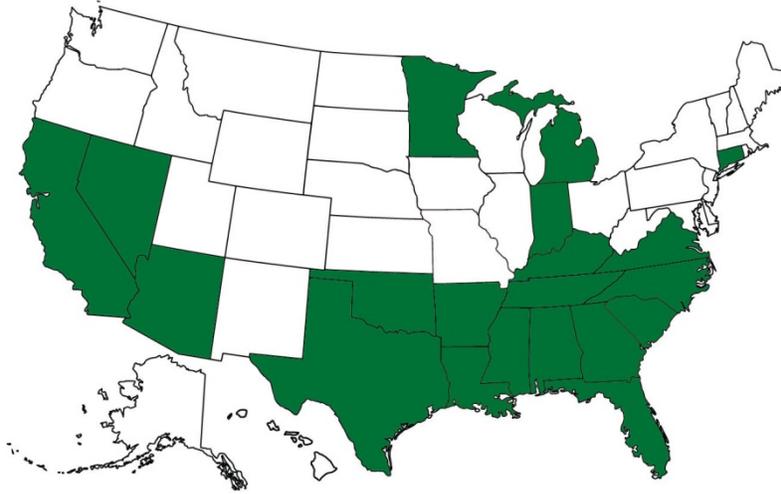
Our 150 employees and 35 years of experience make TMA the nation's number one source for excellence in property tax assistance. To date, TMA auditors have performed over 195,000 audits for our clients and have discovered over \$45 billion in unreported or underreported taxable business personal property value. This discovered valuation equates to roughly \$900 million in new tax revenue. TMA's projects average a four to one (4:1) return on investment for audit programs. Audits are completed in a timely manner and retain an overall appeal level of less than one-half of one percent.

TMA assists assessment officials in their day-to-day duties of administering ad valorem taxation. TMA works with officials on mass appraisal (CAMA) projects, motor vehicle valuations, billing and collection software solutions and other specialized projects. In 1987, TMA founded its business personal property auditing and consulting division. This division specializes in the administration of business personal property and the proper application of state specific laws and statutes. Today, 70% of TMA's activities are related to business personal property ad valorem taxation. In addition to Business Personal Property Auditing and Consulting, TMA also performs the following services:

- Discovery of Non-Reporting Businesses in the Jurisdiction
- Valuation of Non-Reporting Businesses
- Public Utility Audits on Locally Assessed Properties
- Public Utility Appraisals on Locally Assessed Properties
- Homestead Exemption Audits
- Special Ad Valorem Projects

TMA only serves the interests of state and local government. To serve both the private and the public sector would be, in our opinion, a conflict of interest.

Please see map of TMA's client states below:



- States in green represent those utilizing TMA services

TMA's Comprehensive Business Personal Property Audit Services

TMA's services provide for detailed, comprehensive cost reconciliations on business personal property returns filed with Maricopa County, AZ according to Arizona principles, uniformed appraisal methodologies, and comprehensive cost accounting. TMA auditors are trained to perform audits on companies from small proprietorships to billion dollar manufacturing concerns. TMA's auditors travel to the taxpayer's place of records as well as the physical location of the assets to perform the most professional and comprehensive audit in the marketplace today. TMA performs all of the back office functions necessary for an efficient and effective program and stands behind its work through every level of the tax-related appeal/litigation process.

Tax Management Associates has spent the last thirty-five (35) years perfecting our methodologies according to our corporate slogan:

Quality by Design

This means that the highest levels of quality in service and workmanship are achieved through careful attention to detail and a commitment to listening to our clients' needs. We then partner this design with the finest professionals in this industry to bring to Maricopa County a solution that will provide value well into the future.

TMA'S COMPREHENSIVE BUSINESS PERSONAL PROPERTY AUDIT SERVICES

The following describes in detail how TMA's Business Personal Property Audit Services will be performed in Maricopa County. The minimum requirements of TMA in regards to the performance of comprehensive field audits to determine the accuracy of the personal property schedule are as follows:

- Provide the business and/or industrial entity notification of the intent to audit and schedule the audit. Conduct an on-site inspection. Examine pertinent documents, including accounting records, asset lists, and tax documents. Verify that all assets are properly grouped on the personal property schedule form and prepare and present audit results, in conjunction with the Assessor, to the audited business.
- Conduct audits in accordance with applicable laws, rules, regulations, and professional standards.
- As directed by the Assessor, draft a notice of deficiency and other correspondence and documents associated with audit findings.
- As directed by the Assessor, make presentations and serve on behalf of the Assessor as an expert witness in tax related litigation and before administrative appeal bodies.

TMA procedures for the performance of comprehensive audits consist of a detailed review of taxpayer's accounting records at the place at which the taxpayer's accounting records are located and meeting with the property owner or representative to discuss the audit. Applicable books and records include, but are not limited, to the following:

- Chart of Accounts
- Corporate Trial Balance
- Income Tax Return Schedules
- Review Proper application of the Statutory Exemption, if applicable
- Corporate General Ledger of all fixed asset accounts, including but not limited to:
 - Land and land improvements
 - Building and improvements
 - Machinery and equipment
 - Office furniture and fixtures
 - Data processing equipment
 - Leased equipment
 - Licensed and non-licensed motor vehicles
 - Construction-in-progress (real and personal)
 - Leasehold improvements
 - Tooling
 - Supplies
 - Repair and refurbishments
 - Other assets accounts described by Chart of Accounts

The audit will result in a proper classification between real and personal property assets, a determination of assets qualifying for exempt status, the determination of the full-absorbed cost of assets, proper years of acquisition and proper classification for appraisal purposes.

Each auditor will be provided a laptop computer by TMA to capture all applicable data derived from the audit. Templates will be developed in consultation with the Assessor for use in computing valuations by asset classes for each year under audit and for preparing audit reports in compliance with the requirements of the Assessor. Following the completion of the audit, preliminary results in the form of an audit report will be prepared by the auditor and provided to the Assessor. The Assessor will review the audit report to determine no change or compute the new FCV and return determination to auditor. Upon approval, notice of such findings will be prepared by the auditor and provided to the taxpayer.

TMA staff will prepare all necessary documents, letters, forms and notices in connection with scheduling audits and audit findings. All letters and notices to taxpayers will be approved and signed by the Assessor or authorized representative prior to sending to the taxpayer. TMA will defend its audit findings throughout all administrative or judicial appeal processes.

Audit assignments will be determined by the Assessor. Upon a determination of audit assignments, the Assessor will be responsible for providing to the auditor copies of the personal property schedules and other pertinent file data applicable to the years under audit. TMA will maintain a database of all audit activity and will provide the Assessor a detailed status report reflecting the status of each audit assignment on a periodic basis.

Following the award of bid and execution of a contract to perform audit services, TMA will send the appropriate staff to accumulate data pertinent to the assigned audits. Following the receipt of all applicable file data, the following procedures will be implemented:

COMPREHENSIVE PERSONAL PROPERTY AUDIT TECHNIQUES

Over the years of providing Business Personal Property Auditing and Consulting Services to state and local government, TMA has established a sound methodology for completing an individual audit assigned to it by the contracting jurisdiction. The steps below give detail to the actual process of initiating a personal property audit. This is the same process regardless of the size of the taxpayer in question. See attachments section for sample letters.

1. Notify the Taxpayer

TMA will prepare a form letter to be mailed to the assigned account. This letter will be forwarded to the county for proper signature and for mailing. This letter informs the taxpayer of an intended audit and advises the taxpayer that a TMA representative will be making contact for scheduling the audit date.

2. Make initial contact with the Taxpayer

A TMA representative will contact the taxpayer by telephone to determine the individual with whom the auditor should be speaking regarding the scheduling of an audit appointment and the place at which the financial accounting records are located.

Once the proper individual and the place at which the accounting records are located are determined, the TMA representative will consult with the applicable party to determine an appointment date and to respond to questions. At this time, discussions will usually relate to the type of financial documentation that will be required for audit completion. TMA places emphasis on cooperating with taxpayers and scheduling audit appointments at the convenience of the taxpayer, provided the elapsed time is within reason.

3. Prepare Confirmation Letter

Once the appointment has been made by phone, TMA creates a letter to the taxpayer to confirm the appointment date and time. This letter also notifies the Assessor of the scheduled audit, the name of the auditor and the place at which the audit will be performed. The letter is created on the Assessor's letterhead for authorized signature.

4. Audit Performance

According to internal TMA audit rules, it is imperative that the auditor arrives on time as scheduled, dressed appropriately, and prepared to perform the audit. Any delay should promptly be communicated to the taxpayer and the project manager and the reason for delay adequately explained.

Upon arrival, the auditor usually has a meeting with the taxpayer and/or his/her representatives, to explain TMA's relationship with the County Assessor. The auditor also utilizes this time to ask questions regarding their accounting records and accounting policies. A walk-through of the facility where the personal property is located may take place at this time. Notes will be taken regarding observations throughout walk-through.

The auditor will review application of additional depreciation where applicable, review property application of statutory exemption, review construction in progress, and reporting review of rebooked costs.

The taxpayer, or knowledgeable business representative, usually participates in the verification of information contained in their listings as the auditor moves forward with the audit. The auditor will request additional information if needed,

and respond to any questions the taxpayer may have regarding the findings. The taxpayer is also advised that a complete summary of the findings will be forwarded along with any proposed assessment. If the audit results in a finding of

listing compliance, the taxpayer is informed, thanked for their time and advised that a letter will be mailed to confirm the findings.

5. Prepare Audit Report for Assessor

Upon the auditor's return to their workplace, a report, inclusive of checklists and details, is prepared for the project manager for review and approval. This summary will contain a breakdown of all business assets by year and proper schedule classification.

Upon approval, a letter that fully explains the audit findings is prepared and forwarded to the County Assessor. This letter is considered a "Position Letter." The Assessor, or authorized staff person, reviews the findings and is responsible for final determination prior to any notice being mailed to the taxpayer. If there are adjustments needed, the auditors will be advised and will respond accordingly. Upon approval, the letter is initialed and returned to TMA for the final draft of notice to the taxpayer.

TMA will also include property location changes, impending property location change, when applicable, or other business changes such as impending close. This information will be submitted to the Assessor when received by TMA in order to adequately document changes in property.

6. Prepare Notice of Audit findings for taxpayer

Upon completion of final audit findings as approved by Assessor, a notice will be prepared for mailing to the taxpayer. This notice will be prepared on the Assessor's letterhead and signed by the Assessor or authorized representative. This letter represents a detailed analysis of the audit findings and defines the errors or omissions causing any proposed additional assessments by classes of assets.

In addition, the taxpayer is advised of the appeal procedures to be followed if an exception is taken to the findings or proposed assessment. TMA defends its audit findings throughout all appeal processes.

7. Audit Follow-up

If the taxpayer files an exception to the audit findings, the auditor will review any claim or documentation the taxpayer provides to support a change in the audit findings including an updated review of the accounting records to verify additional data. The auditor will adjust the audit findings accordingly if justified and approved by the Assessor. It is rare for any assessment generated from a TMA audit to be appealed further than the administrative level.

8. On-site Reviews

It is TMA's practice to conduct a walk-through of the facility where the audited personal property is located whether or not required by contract. This process will be performed on all field audits performed by TMA audit staff.

9. Defense of Audit Findings

TMA will provide the Assessor's Office or its legal counsel, representation and/or testimony on behalf of the Assessor's Office as an expert witness during appeals and/or litigation regarding the audit findings.

SERVICE DELIVERY PLAN AND GENERAL TIMELINE

Approximately 100 audits (208 accounts) will be conducted for Maricopa County. TMA has personnel and resources sufficient to assure task continuity and is committed to the timely completion of its contractual obligations with the County in a timely and professional manner. The table below serves as a general timeline for TMA’s Business Personal Property Audit Services.

Day	Item
Day 0	Contract signed.
Day 5	TMA has received copies of file data associated with audit assignments.
Day 20	TMA has set audit appointments. Audits begin to occur.
Day 40- end of project	Results from initial audits are ready. Deliverables submitted to the County.

*Please note TMA can commit to the additional four 1-year contract terms.

Informer

Rather than submit one audit at a time the County requests electronic audit files, or PDFs of TMA’s audit workbooks, to be submitted to the Assessor for review each Friday. We will comply with this request, as we believe in expediting any process as long as it is secure and beneficial to all parties involved. TMA has created an online portal for our clients called Informer, which may be utilized by Maricopa County pending bid award.

Informer provides real-time updates, statistics, and detailed information specifically for your audit program. The portal allows Maricopa County to view when an audit is being performed, by whom, the number of completed audits and the discovered value of the completed audit. This tool ensures clients are up to date with all account information and ensures easy access to project status.

III. COST AND FEES

Please see Exhibit A for cost.

IV. EXPERIENCE OF THE RESPONDENT AND REFERENCES

HISTORY

TMA is the nation's most experienced provider of business personal property auditing and consulting services. We only serve the interests of state and local government. TMA is committed to excellence. We believe in hiring the best-qualified staff to provide superior work and services to our clients.

TMA employs a staff of 150, including over 40 auditors, and has performed audit and consulting services for over five hundred (500) state and local government clients in eighteen (18) states, including statewide programs for both the Kentucky Revenue Cabinet and the Michigan Department of Treasury. With offices nationwide, we are able to assist our clients with ease and create unique solutions for their tax challenges.

TMA's specialty lies in the administration and verification of ad valorem property taxes. In the area of business personal property, TMA specializes in:

- Business Personal Property Auditing
- Discovery of Non-Reporting Businesses in the Jurisdiction
- Outsourcing of the Personal Property Listing Function
- Valuation of Non-Reporting Businesses (CAVS)
- Linking NAICS Codes to Business Types for Assessment or Benchmarking Purposes

In addition to business personal property services, TMA has also become a major player in special ad valorem projects for state and local government. Some of these services have included:

- Telecommunications Real Property Appraisal – Unit to Market Value
- Principle Residence Exemption Audits (Homestead Reviews)
- Sales and Use Tax Audits
- Public Utility Audits
- Hotel / Motel Occupancy Tax Audits

Audit History

The table below illustrates TMA's cost benefit analysis from other client states with comprehensive audit programs similar to the one being proposed in Maricopa County. The table does not include the benefit from recurring revenue due to audit services, so the actual ratio should be considerably higher in each instance.

Cost – Benefit Analysis

State	Audits Performed	Discovered Personal Property	Benefit – Cost Ratio
Alabama	3,620	\$2,248,004,005	2 to 1
Arizona	6	\$371,724,519	2 to 1
California	118	\$76,999,399	8 to 1
Connecticut	5,147	\$931,250,245	5 to 1
Florida	541	\$513,971,346	8 to 1
Georgia	11,518	\$3,975,502,129	4 to 1
Indiana	44,312	\$3,040,105,317	2 to 1
Kentucky	167	\$1,590,630,116	14 to 1
Louisiana	12	\$15,073,706	5 to 1
Michigan	13,121	\$4,009,939,154	4 to 1
Mississippi	24	\$46,300,353	5 to 1
Nevada	144	\$68,172,409	2 to 1
North Carolina	59,567	\$20,942,581,073	4 to 1
Oklahoma	2	\$10,000,000	2 to 1
South Carolina	107	\$3,589,184	1 to 1
Tennessee	57,257	\$7,762,439,276	4 to 1
Totals	195,875	\$45,216,518,286	4 to 1

* Figures represent results as of Q4 2015

TMA'S ORGANIZATIONAL STRUCTURE AND KEY PERSONNEL

THE ORGANIZATION

Tax Management Associates, Inc. (TMA) is an S-Corporation founded in North Carolina and licensed to do business in the State of Arizona, among others. TMA is based in Charlotte, North Carolina where it maintains its corporate headquarters. All central operations functions are performed here so that all satellite offices may concentrate on audit responsibilities. TMA has branch offices serving Brighton, Michigan; Nashville, Tennessee and Indianapolis, Indiana; TMA is owned partly (30%) by the employees through an ESOP (Employee Stock Ownership Plan) and through a majority share by the CEO and founder of the company.

The following demonstrates key points of the company:

Vendor Name:	Tax Management Associates, Inc. (TMA)
Address:	2225 Coronation Blvd. Charlotte, NC 28227
Telephone Number:	800-951-5350
Fax Number:	704-708-8400
Contact Person:	Richard H. (Chip) Cooke, Jr.
E-mail Address of Contact:	chip.cooke@tma1.com
Taxpayer Identification Number:	56-1507131

THE TMA STAFF

TMA employs only the highest quality professionals to participate in its audit engagements including CPAs, PPS designees and other similar accounting experts. Over 40 full time auditors are backed by support staff, IT professionals and a management team with over 500 client engagements either completed or in process. The TMA Audit Staff goes through a rigorous training regimen beginning with the initial employment screening of qualified accounting majors or individuals with similar experience. Auditors are required to apprentice under experienced TMA auditors and constantly gain valuable insight through continuing education, in-house training seminars, and state specific certification.

Our auditors are considered the most experienced and professional in the nation with each auditor performing up to thirty (30) complex reconciliations per month. TMA also travels to the taxpayer's corporate headquarters when necessary to ensure the highest level of quality service. This gives our auditors the chance to sit down with taxpayers, discuss the relevant issues, educate in local statutes and ultimately resolve any outstanding issues. By meeting face to face with taxpayers, TMA may assure the jurisdiction that its taxpayers are treated with dignity and respect during the entire process.

KEY PERSONNEL

TMA is made up of more than 150 full time professionals however; the following list of personnel demonstrates key management experience and qualifications and will have roles within the Maricopa County Business Personal Property object:

Richard H. (Chip) Cooke, Jr., MBA – Chief Executive Officer

Chip Cooke has been with TMA since 1994 and currently serves as Chief Executive Officer. Mr. Cooke holds his MBA from Wake Forest University and assists in complex engagements as well as all facets of project management for the company. His role in the project will be of liaison between the County and other members of TMA's corporate structure.

Mark C. Cooke, Ph.D. – Chief Innovation Officer

Dr. Mark Cooke has been with TMA since 2004 and serves as our Chief Innovation Officer. Dr. Cooke received his Ph.D. from the University of Connecticut. Currently, he utilizes his experience to manage all of TMA's complex and valorem IT solutions for state and local government.

Tom Tucker –Chief Operations Officer, PPS

Tom Tucker is the Director of the Audit Division and has had oversight responsibilities for every TMA audit engagement since 1987. In addition, Tom is an expert auditor who will personally oversee any particularly large or complex audits. Tom holds IAAO's prestigious PPS designation (Personal Property Specialist), one of only twenty or so in the United States today. Tom has specific experience in Arizona. He has recently worked with Yavapai and Pinal Counties.

Dale Baker – Deputy Chief Operating Officer

Dale Baker has been with TMA since 1989 and currently oversees all of TMA's existing audit engagements. Dale is a seasoned auditor who may work with TMA field auditors on select engagements requiring his expertise. Dale will oversee the overall project in conjunction with a TMA branch office manager.

Jay Taranto – Director of Sales and Marketing

Jay's responsibilities include leading the sales and marketing team, direct sales and promoting services to potential customers while maintaining and developing the confidence and respect of existing customers. Jay handles all government affairs personnel at TMA, serves as liaison for all partner companies in sales capacity and creates and manages the annual forecast for all states and services.

Michelle Pierce- Business Personal Property Regional Manager

Michelle Pierce has been with TMA since 1999 and has become one of TMA's most respected auditors in the State of Tennessee, Alabama and Georgia. Michelle performs audits on all sizes of business taxpayers and is fully qualified to perform the most complex work available to TMA. Michelle has become a valuable asset to TMA; we leverage her extensive accounting knowledge and leadership skills.

John Shelton- Business Personal Property Regional Manager

John Shelton has been with TMA for 17 years and has become one of TMA's most respected auditors in Indiana, Connecticut and Arizona. John performs audits on all sizes of business taxpayers and is fully qualified to perform the most complex work available to TMA. John will be the Regional Manager for the Maricopa County program, if TMA is selected.

Jeff Elam, CPA – Special Project Manager / Senior Auditor

Jeff Elam, CPA has been with TMA since 1997 after serving as the Audit Supervisor for the Kentucky Revenue Cabinet. Jeff's responsibilities include comprehensive reconciliations of personal property for TMA's audit division. Duties also include the training of new audit personnel, handling of complex appeals, and education and training of jurisdiction staff to all aspects of personal property administration and accounting techniques. Jeff is a California and Michigan certified personal property examiner. Jeff received his BS in Accounting from the University of Kentucky.

Tammy Holder, PPS – Senior Auditor

Tammy Holder joined TMA in 2010 as a senior auditor on the business personal property audit staff. She brings a wealth of experience from the County side of the tax field and also holds the PPS designation from the IAAO.

Jim Fields- Senior Auditor

Jim brought his auditing expertise to TMA in 1998. Jim ensures all audits are completed in a timely manner and with proper thoroughness. He also assists with audit appeals within his region and travels nationally for the company. Jim is a

Certified Property Tax Appraiser for the California State Board of Equalization as well as a Certified Michigan Personal Property Examiner.

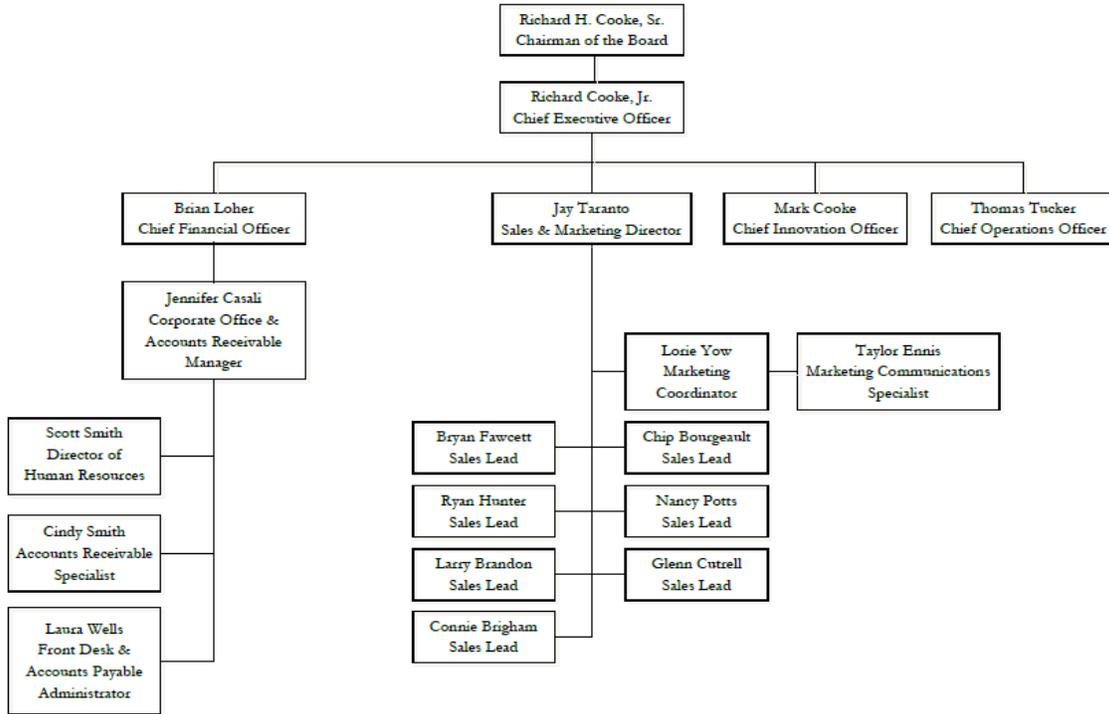
Byron Ellis, CPA – Project Manager

Byron Ellis, CPA has been with TMA since 1998 and has become one of TMA's most respected auditors. Byron performs audits on all sizes of business taxpayers and is fully qualified to perform the most complex work available to TMA. Byron also oversees TMA's internal auditor training program.

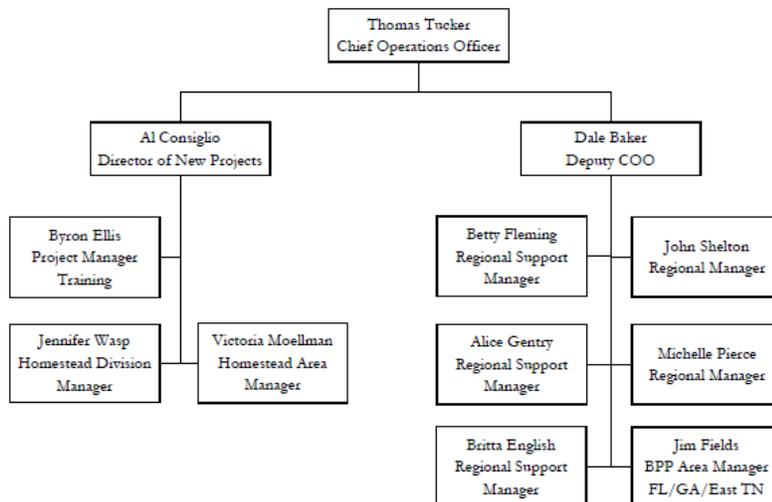
Please find detailed resumes for all key individuals assigned to the program as an attachment to this proposal.

TMA Organizational Charts:

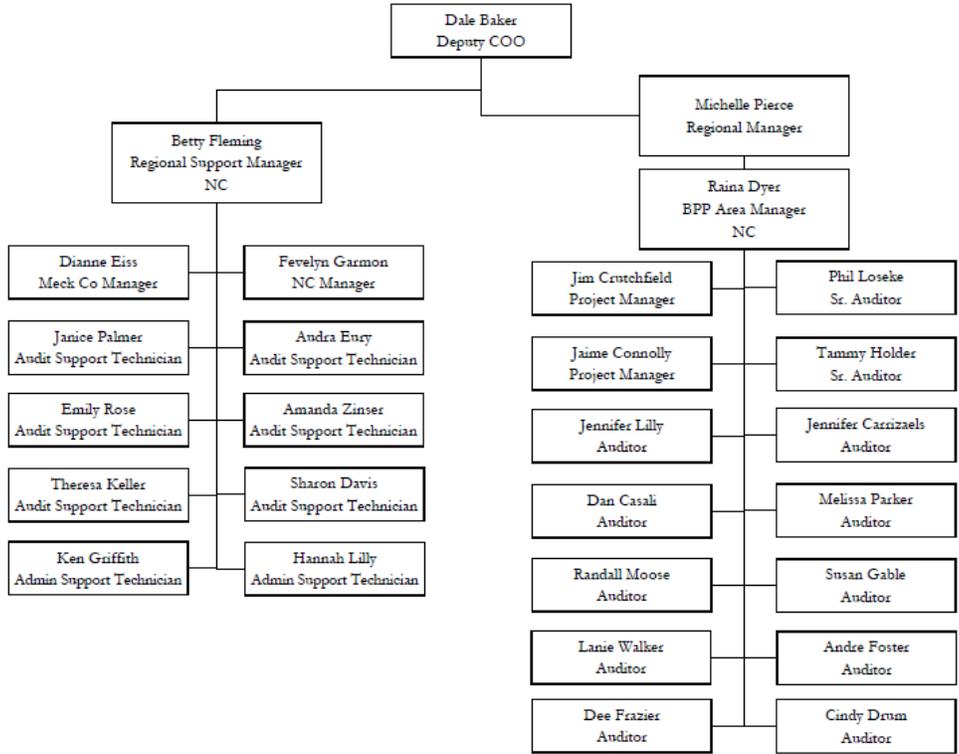
Tax Management Associates, Inc.
Corporate/Sales
December 2015

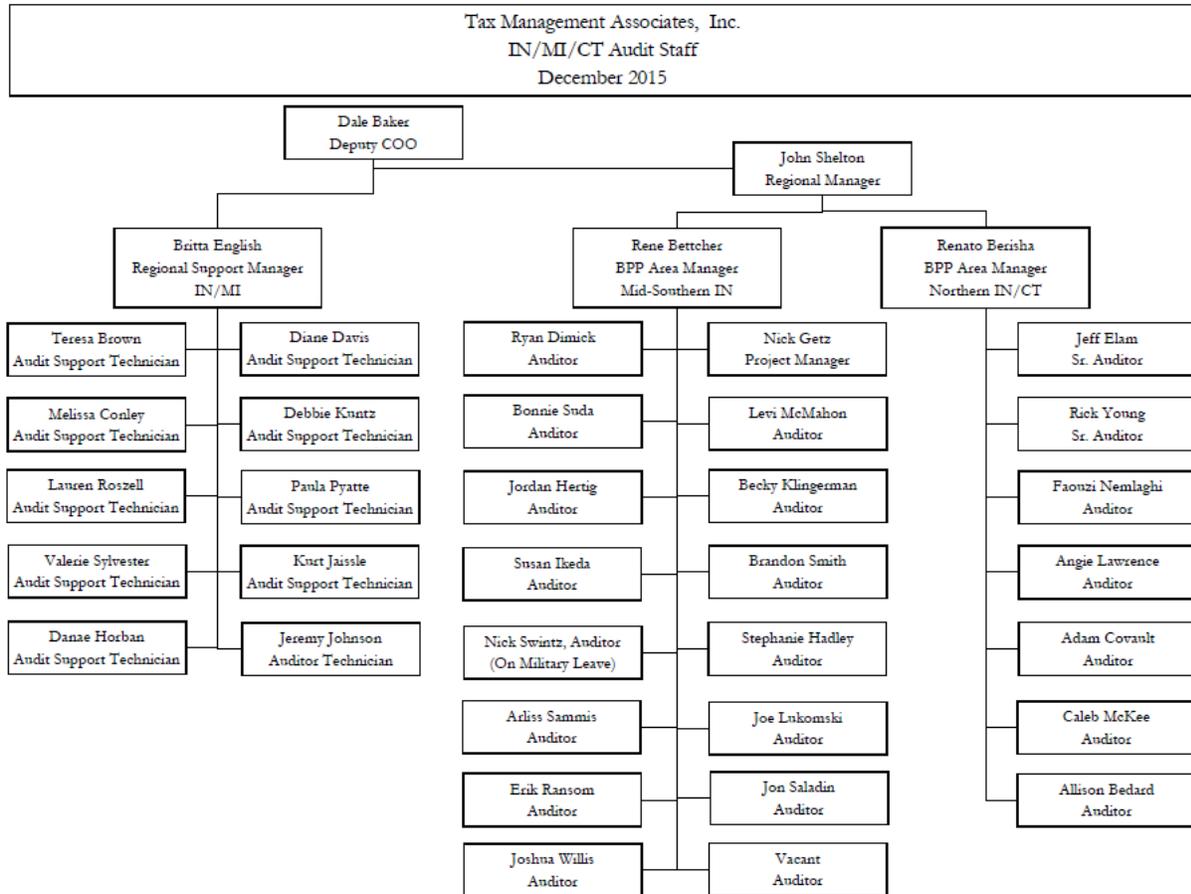


Tax Management Associates, Inc.
Operations
December 2015

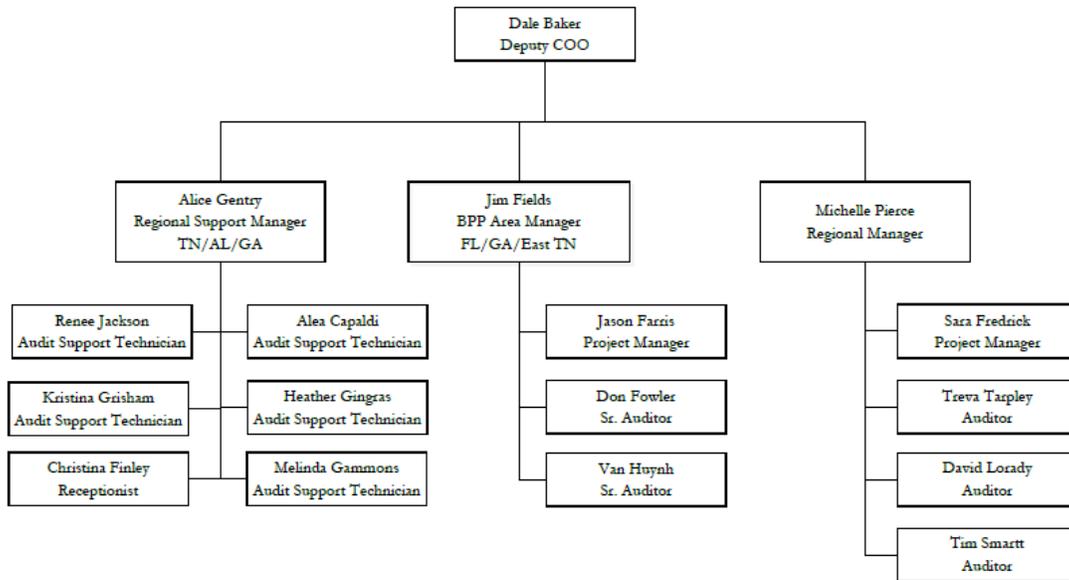


Tax Management Associates, Inc.
 NC Audit Staff
 December 2015

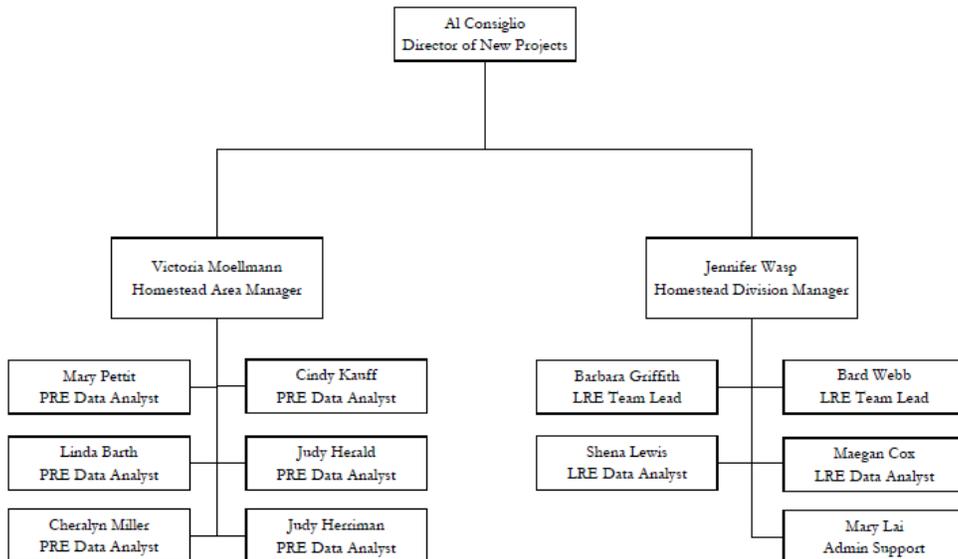




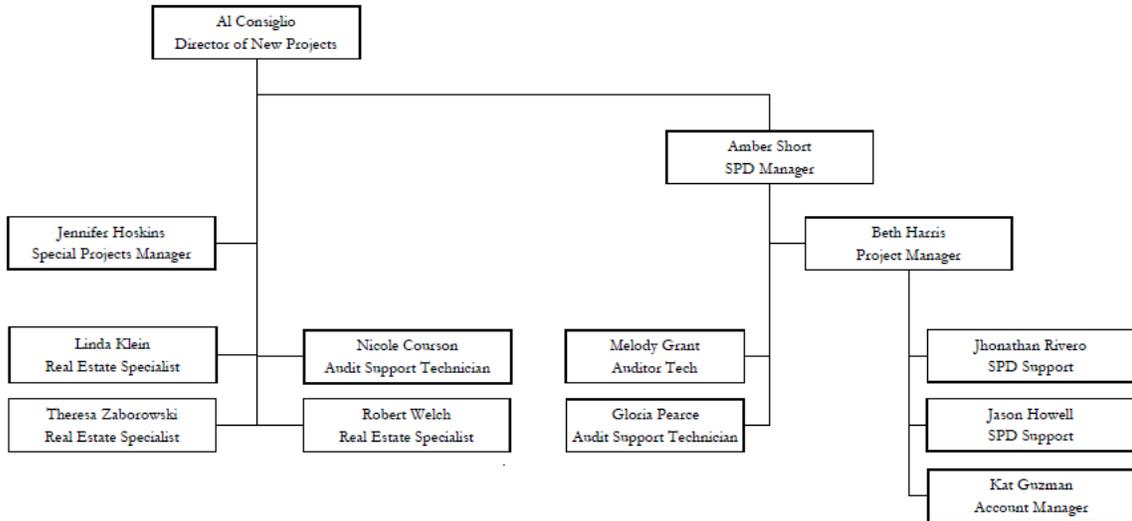
Tax Management Associates, Inc.
TN/AL/GA/FL Audit Staff
December 2015



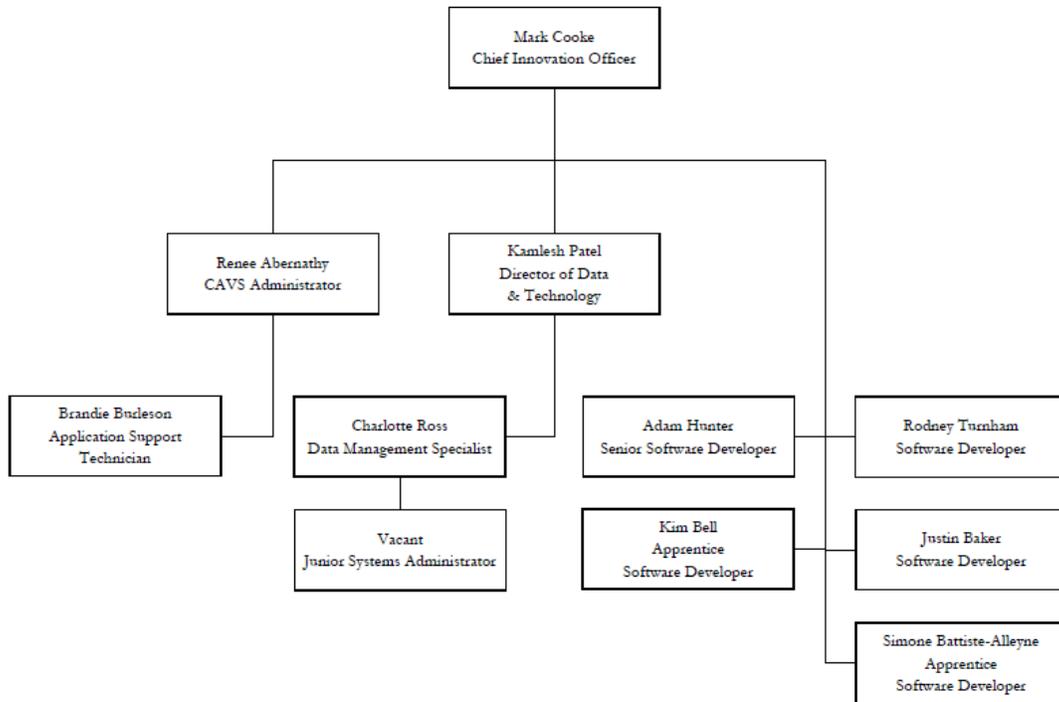
Tax Management Associates, Inc.
Homestead
December 2015



Tax Management Associates, Inc.
SPD
December 2015



Tax Management Associates, Inc.
IT Staff
December 2015



PUBLIC RELATIONS

TMA prides itself as being the largest compliance firm of its type in the United States, but its real success is the professional manner in which TMA treats the individual taxpayer. We dedicate ourselves to being the client's number one ambassador. TMA's objective has always been to deliver a successful revenue enhancement project that the jurisdiction can be proud of when communicating with its constituents and peers. TMA understands that interactions with taxpayers need to be professional and courteous, while also achieving the goals of the project. TMA has the know-how to successfully manage these taxpayer interactions and strives to create a positive experience at every opportunity. Our goal is to remain professional and understanding while educating the taxpayer about the applicable tax requirements and helping them complete the process.

TRAINING

TMA offers to train the personnel of the County in every aspect of the audit process from reviewing and benchmarking returns to auditing Fortune 500 corporations. This training comes at no additional cost to the County, and we feel it is necessary to complete the audit program. Staff will be encouraged to join TMA auditors on audits from time to time and learn the methodologies of auditing and the different approaches used to complete a full-scale audit program.

TRAVEL

Tax Management Associates feels that travel to the taxpayer's location for audit work is an integral part of public relations. All local travel will be coordinated through local audit managers and supported by the other TMA offices. All out-of-state travel will be coordinated through corporate headquarters in Charlotte. Centralization of our out-of-state travel helps to insure that the County is receiving the most cost effective price in the market today. Travel is included in TMA's pricing in Exhibit A.

V. TMA'S CUSTOMER REFERENCES

TMA has performed similar engagements for over 500 clients in 18 states. These programs have ranged from a select number of audits to state-wide comprehensive programs. TMA has contracted on a state-wide basis in Kentucky and Michigan and has performed services in large metropolitan jurisdictions including Detroit, Indianapolis, Atlanta, Charlotte, Miami, and Nashville. A full list of TMA's clients and relevant contact information is included as an attachment to this proposal. A complete list of our clients appears at the end of the proposal:

Jurisdiction	Audits Performed	Assessing Official	Title	Phone Number	Contract Dates
Michigan Department of Treasury	12,290	Renee Short	Equalization	313-224-3393	2009-2013
Mecklenburg County, NC	19,338	Ken Joyner	Assessor	704-336-4600	2005-Present
Marion County, IN	8,529	Joseph O'Connor	Assessor	317- 327-4907	2012-Present
City of Stamford, CT	970	Greg Stackpole	Assessor	209-977-5888	2009-Present
Gwinnett County, GA (Atlanta)	3,650	Steve Pruitt	Chief Appraiser	770-822-7212	1990-Present

TMA has now discovered over \$45 billion in taxable Business Personal Property value across the United States. This equates to over \$900 million in additional tax revenue for our client jurisdictions. TMA averages a four-to-one ratio in dollars earned per dollar spent in all TMA served jurisdictions

TAX MANAGEMENT ASSOCIATES, INC., 2225 CORONATION BLVD., CHARLOTTE, NC 28227

PRICING SHEET: NIGP CODE

Terms:	NET 30 Days
Vendor Number:	2011006797 0
Certificates of Insurance	Required
Contract Period:	To cover the period ending January 31, 2017.