

**LINKING AGREEMENT  
BETWEEN  
THE CITY OF GLENDALE, ARIZONA  
AND  
ON ADVERTISING, INC.**

THIS LINKING AGREEMENT (this "Agreement") is entered into as of this        day of       , 20       , between the City of Glendale, an Arizona municipal corporation (the "City"), and On Advertising, Inc., an Arizona Corporation ("Contractor"), collectively, the "Parties."

**RECITALS**

- A. On August 12, 2016, under the State of Arizona Purchasing Cooperative, the State of Arizona entered into a contract with Contractor to purchase the goods and services described in the Marketing - Statewide, ADSPO16-145336 ("Cooperative Purchasing Agreement"), which is attached hereto as Exhibit A. The Cooperative Purchasing Agreement permits its cooperative use by other governmental agencies including the City.
- B. Section 2-149 of the City's Procurement Code permits the Materials Manager to procure goods and services by participating with other governmental units in cooperative purchasing agreements when the best interests of the City would be served.
- C. Section 2-149 also provides that the Materials Manager may enter into such cooperative agreements without meeting the formal or informal solicitation and bid requirements of Glendale City Code Sections 2-145 and 2-146.
- D. The City desires to contract with Contractor for supplies or services identical, or nearly identical, to the supplies or services Contractor is providing other units of government under the Cooperative Purchasing Agreement. Contractor consents to the City's utilization of the Cooperative Purchasing Agreement as the basis of this Agreement, and Contractor desires to enter into this Agreement to provide the supplies and services set forth in this Agreement.

**AGREEMENT**

NOW, THEREFORE, in consideration of the foregoing recitals, which are incorporated by reference, and the covenants and promises contained in this Linking Agreement, the parties agree as follows:

1. **Term of Agreement.** The City is purchasing supplies and/or services from Contractor pursuant to the Cooperative Purchasing Agreement. According to the Cooperative Purchasing Agreement, purchases can be made by governmental entities from the date of award, which was August 12, 2016, until the date the contract expires on August 11, 2017, unless the term of the Cooperative Purchasing Agreement is extended by the mutual agreement of the original contracting parties. The Cooperative Purchasing Agreement, however, may not be extended beyond August 11, 2021. The initial period of this Agreement, therefore, is the period from the Effective Date of this Agreement until August 11, 2017. The City Manager or designee, however, may renew the term of this Agreement for four (4) one-year periods) periods until the Cooperative Purchasing Agreement expires on August 11, 2021.

Renewals are not automatic and shall only occur if the City gives the Contractor notice of its intent to renew. The City may give the Contractor notice of its intent to renew this Agreement 30 days prior to the anniversary of the Effective Date to effectuate such renewal.

2. Scope of Work; Terms, Conditions, and Specifications.
  - A. Contractor shall provide City the supplies and/or services identified in the Scope of Work attached as Exhibit B.
  - B. Contractor agrees to comply with all the terms, conditions and specifications of the Cooperative Purchasing Agreement. Such terms, conditions and specifications are specifically incorporated into and are an enforceable part of this Agreement.
3. Compensation.
  - A. City shall pay Contractor compensation at the same rate and on the same schedule as provided in the Cooperative Purchasing Agreement, which is attached hereto as Exhibit C.
  - B. The total purchase price for the supplies and/or services purchased under this Agreement shall not exceed \$1,200,000 (one million two-hundred thousand) for the entire term of the Agreement (initial term plus any renewals).
4. Cancellation. This Agreement may be cancelled pursuant to A.R.S. § 38-511.
5. Non-discrimination. Contractor must not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, national origin, age, marital status, sexual orientation, gender identity or expression, genetic characteristics, familial status, U.S. military veteran status or any disability. Contractor will require any Sub-contractor to be bound to the same requirements as stated within this section. Contractor, and on behalf of any subcontractors, warrants compliance with this section.
6. Insurance Certificate. A certificate of insurance applying to this Agreement must be provided to the City prior to the Effective Date.
7. E-verify. Contractor complies with A.R.S. § 23-214 and agrees to comply with the requirements of A.R.S. § 41-4401.
8. No Boycott of Israel. The Parties agree that they are not currently engaged in, and agree that for the duration of the Agreement they will not engage in, a boycott of Israel, as that term is defined in A.R.S. §35-393.
9. Attestation of PCI Compliance. When applicable, the Contractor will provide the City annually with a Payment Card Industry Data Security Standard (PCI DSS) attestation of compliance certificate signed by an officer of Contractor with oversight responsibility.

10. **Notices.** Any notices that must be provided under this Agreement shall be sent to the Parties' respective authorized representatives at the address listed below:

City of Glendale  
c/o Connie Schneider, C.P.M.  
5850 W Glendale Ave #317  
Glendale, Arizona 85301  
623-930-2868  
CSchneider@glendaleaz.com

and

On Advertising, Inc.  
c/o Ron Meritt  
101 N. 1<sup>st</sup> Ave #2000  
Phoenix, AZ 85003  
480-705-6623 x1002  
rmeritt@on-advertising.com

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date and year set forth above.

"City"

City of Glendale, an Arizona  
municipal corporation

By: \_\_\_\_\_  
Kevin R. Phelps  
City Manager

"Contractor"

On Advertising, Inc.,  
an Arizona Corporation

By: \_\_\_\_\_  
Name: Ron Meritt 3/16/17  
Title: RON MERITT  
PRESIDENT

ATTEST:

\_\_\_\_\_  
Julie K. Bower (SEAL)  
City Clerk

APPROVED AS TO FORM:

\_\_\_\_\_  
Michael D. Bailey  
City Attorney

**LINKING AGREEMENT  
BETWEEN  
THE CITY OF GLENDALE, ARIZONA  
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**EXHIBIT A  
MARKETING - STATEWIDE**





## Scope of Work

**State of Arizona  
State Procurement Office  
100 N 15th Ave., Suite 201  
Phoenix, AZ 85007**

Contract No.: ADSPO17-145336

Description: Marketing - Statewide

### 1. Introduction

- 1.1. The State of Arizona, its Agencies, Boards and Commissions (State) as well as Participating Members of the State Purchasing Cooperative (Cooperative) are seeking proposals from qualified contractors to provide services and materials on an as-needed basis for Marketing. The purpose of this solicitation is to conduct a competitive process, in accordance with Arizona Revised Statutes (ARS) 41-2501 et seq., to create a contract(s) from which the State and its Cooperative Members (hereinafter referred to as Eligible Agencies) may acquire these products and services. This Request for Proposals (RFP) establishes the requirements for Proposal submission by interested suppliers.
- 1.2. Occasionally a Contractor may be required to perform specialized advertising in non-English language at the discretion of the Agency. In this document, "Agency" refers to a State Agency using a contract resulting from this solicitation. In order to reach a wide audience, including the Native American and Hispanic markets, the Contractor may include minority communities in Arizona as part of the strategic decisions and creative development. Unless required by the Agency to provide materials in another language, the Contractor shall provide all materials in English and media will be planned and placed with affiliates who broadcast or print advertisements in English. If the Agency requires materials in another language, in addition to translation services, the Contractor shall advise the Agency if creative changes are needed to ensure they are culturally appropriate.

### 2. Background

- 2.1. Successful Contractors will work on projects and assignments as determined by the Agency under the direction of a designated project manager. The projects may range from a few hours to several months and will be driven by program need and financial availability. The level of anticipated annual spending will be determined by the Agency. For most agencies, funds will be encumbered prior to the start of a project. An Agency wishing to use a service or multiple services available under this contract will provide the contractor(s) with a task assignment specifying the service expectations and special requirements of that Agency. The Agency may submit a need description and budget amount to multiple contractors requesting a proposed solution, selecting the contractor(s) who offers the most desirable solution.
- 2.2. Attached as Exhibit A are descriptions of agency goals and types of services presented as samples of the types of use envisioned by state agencies under this contract. These descriptions are neither guarantees of services which would be purchased from this contract nor are they an all-inclusive description of the services that may be required. The State is looking for providers in all service categories.
- 2.3. This is a statewide contract and may be used by Multiple Agencies and Cooperative Members for any of the various purposes and types listed below. Offerors may respond to one, or any combination, of these categories. Many of the services identified individually are also services provided under more general categories. We encourage Offerors to respond to the category that best describes their business.
- 2.4. Materials developed and/or produced under this contract become the property of the State as defined in the Uniform Terms and Conditions. The Uniform Terms and Conditions are included as part of this solicitation and would be a section in any resulting contract.
- 2.5. The Agency shall have complete authority over the plans developed under this contract and shall have the express rights to modify and/or delete all or any part of the plan.

### 3. General Service Requirements

- 3.1. The Contractor shall maintain a full-time office in Arizona so that contractor staff can be readily available to state agencies on a daily basis.
- 3.2. The Contractor's staff shall be available for meetings at the Agency's office at the Agency's discretion.
- 3.3. The Contractor shall make no commitments on behalf of the Agency without prior written approval.
- 3.4. The Contractor shall make recommendations regarding ways to generate cost savings wherever possible.
- 3.5. The Contractor shall be able to transfer documents, creative artwork and files electronically using a mutually agreed upon format (e.g., PDF).
- 3.6. The Contractor must manage the Agency's account in a business-like manner, consistent with the Agency's needs, and conform to the highest possible industry and quality standards. This includes, but is not limited to, adequate staffing to provide effective cost tracking and detailed invoicing as required by the Agency.
- 3.7. The Contractor shall identify for the Agency the staff member servicing as Point of Contact.
- 3.8. The Contractor shall advise Agency of emerging technologies and provide Agency with services using emerging technologies as appropriate.
- 3.9. The Contractor may be requested to work in collaboration with other Contractor(s) to produce successful integrated marketing campaigns. In such instances, contractor(s) would be expected to share necessary information and reporting, perform in a business-like manner, etc.



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3.10. All Information Technology (IT) related services provided by the Contractor, which will be deployed for the benefit of the public or the State, must adhere to statewide standards as developed by the State of Arizona Strategic Enterprise Technology Office (ASET). These standards can be found at <https://aset.az.gov/resources/policies-standards-and-procedures>.

3.11. All broadcast media shall be Closed Captioned (CC).

4. **General Marketing Partner.** The Contractor shall perform all functions normally required of a full-service advertising agency necessary for the development, preparation, and placement of advertising in various media as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

4.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for advertising services and will expect the Contractor to develop a cost-effective plan that is responsive to the Agency's marketing needs. Subsequent plans shall be incorporated into the Agency's budget and are subject to approval by the Agency.

4.1.1. The Contractor shall develop a campaign or annual Advertising Plan and Budget in a time frame set by the Agency.

4.1.2. The Advertising Plan and Budget shall be submitted to the Agency for approval. The plan shall be reviewed at the time frame established by the Agency and revised as desired by the Agency.

4.1.3. The Advertising Plan shall detail all campaigns planned during each fiscal year, including budget estimates for each.

4.1.4. The Advertising Plan shall provide a breakdown of proposed spending by media type and proposed production costs.

4.2. **Staffing/Consulting**

4.2.1. The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency. The account management staff shall conduct status meetings with the Agency and provide reports on projects in process at time frames determined in conjunction with the Agency. The consulting or account management staff shall advise on most effective placements and approaches to maximize desirable outcomes using limited funds.

4.3. **Research.** The Contractor shall recommend, design, implement, and analyze market research opportunities and results—utilizing research to develop strategies for marketing Agency products as required by the Agency.

4.3.1. The Contractor will manage research projects to determine campaign or program effectiveness and gauge changes in target audience attitudes and perceptions. Research services to be provided by the Contractor may include, but are not limited to, monthly tracking studies, focus group research, consumer segmentation studies, media research, psychographic behavior studies, brand identification analysis, and advertising concept testing.

4.3.2. Contractor will work cooperatively with other state research contractors, or to apply results provided by those contractors, as required by the Agency. The Agency will take ownership of all research results, materials, and databases generated by the Contractor on behalf of the Agency.

4.3.3. Working with different State agencies as their needs require, the Contractor shall research and propose a marketing strategy pertinent to the specific outreach requirements of each requesting agency.

4.3.4. If identified in the plan, the Agency shall pay all telephone and facsimile charges necessary for the rendering of special or unusual services, such as special phone surveys.

4.4. **Creative.** Under the direction of the Agency, the Contractor shall be responsible for the creation of effective advertising materials including, but not limited to, radio, television, print, digital, direct, internet, mobile cinema, Social Media, outdoor and non-traditional or other forms as applicable.

4.4.1. The Contractor shall develop multimedia campaigns in support of the objectives of the Agency.

4.4.2. The Contractor shall offer alternative creative concepts to an Agency for a campaign. Unless otherwise directed by the Agency, at least three different creative concepts shall be offered when the Contractor is making any initial creative presentation to the Agency. Each shall reflect a distinctly different tone, approach, and style.

4.4.3. The Contractor shall provide the Agency with a timely response to its advertising needs and schedules for all projects, allowing sufficient time for developing, presenting, and refining at least three creative concepts, editing and revising the selected option per the Agency request, obtaining final approval from the Agency staff and other Agency designees, producing the final product, and distributing the finished product according to the Agency specifications. In most cases, materials will be delivered to one central location—the Agency's central office.



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4.5. **Production.** Under the direction of the Agency, the Contractor shall be responsible for the production of effective advertising materials for radio, television and digital (contractor will need to be able to program and design for online ads) as well as social media. Contractor may be required to work with a third party on certain State projects.

4.5.1. The Contractor shall have the capability to produce, film and edit television, online and radio commercials as required by the Agency. The Contractor shall provide all necessary components which include, but are not limited to: directorial services, production management, audio recording, music, graphics, animation, film crew, talent, editing personnel, film transfer, and telecine.

4.5.2. Contractor must have the capability to shoot in all digital formats.

4.5.3. The Contractor shall provide all necessary duplication services for distribution of the produced commercials. For audio, the Contractor must be able to provide the following duplication formats: cassette, CD, DAT. In addition, the contractor must have an electronic delivery method such as DGS and other appropriate digital formats as needed.

4.5.4. The Contractor must collaborate with the Agency on all aspects of the production process, including (but not limited to) storyboard creation, scripting, translation, location scouting, casting, shooting, audio recording, editing, effects, duplication and trafficking. Commercials may be filmed on-site at State locations (e.g., State Fairgrounds during Arizona State Fair).

4.5.5. The Contractor shall provide the Agency with a timely response to its production needs and schedules for all projects. In most cases, materials will be delivered to one central location—the Agency's central office.

4.5.6. The Contractor shall obtain the most cost-effective talent and usage agreements involving Screen Actors Guild (SAG) or American Federation of Radio and Television Artists (AFTRA) talent as appropriate and recommend extended talent cycles and buyouts in cases when additional uses of advertisements and their components are anticipated and approved in advance by the Agency.

4.6. **Public Relations.** The Contractor shall provide comprehensive public relations/communications consultation and advice to the Agency. The services provided should include, at a minimum:

4.6.1. Planning support such as developing product or initiative promotion plans, strategic communications plans, corporate and community-based communication programs, and crisis communication planning.

4.6.2. Consultation support such as providing public relations and media relations counsel, designing and supporting media relations proposals and designing and supporting corporate and community outreach.

4.6.3. Staffing and other support such as providing support for publicity, special events, and public relations, assisting with media, speechwriting, and assisting the agency in maximizing effective communications (e.g., drafting and distributing news releases, working with the Agency or other contractors in providing bilingual speakers for events).

4.7. **Media Services.** The Contractor shall be responsible for developing and updating an annual or campaign Media Plan, for negotiating and placing Agency materials effectively and efficiently, and for verifying actual placement as required by the Agency.

4.7.1. If requested by the Agency, the Contractor shall develop a plan that maximizes results, achieves specific objectives, and supports creative and other strategic direction to provide measurable results. The plan could include such elements as an identification of when and what type of media should be written and placed, time schedules for identifying and analyzing demographic market and delivering media coverage, and a means to determine the effectiveness of the media campaign.

4.7.2. The Contractor shall be responsible for the negotiation, purchase, instruction, and delivery of materials for the placement of media time and space.

4.7.3. In negotiating media purchases, the Contractor shall make the Agency aware of any savings that might be achieved through long-term commitments or other special programs. Any such commitments shall be approved by the Agency and any savings shall be passed on to the Agency.

4.7.4. When the Agency is contacted by a company offering media or promotional opportunities for the Agency, the Agency will direct the inquiring party to provide the information to the Contractor. For all opportunities recommended by the contractor a written evaluation shall be provided to the agency in context with Agency objectives and strategies.

4.7.5. Contractor shall have a process in place to reply to each inquiring media party. This will be available for review by Agency upon request



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4.7.6. The Contractor shall implement a system to ensure that all media was run or published according to any contracts or placement instructions. Affidavits, tear sheets, or other documentation shall be provided.

4.7.7. The Contractor shall notify the Agency before approving any make goods for any ads that did not run as scheduled. All such materials shall be maintained by the Contractor and shall be available for inspection by the Agency or authorized by Agency representatives.

4.7.8. The Contractor shall submit to the Agency any invoices for paid media advertising or campaigns in a timely manner. Affidavits and tear sheets shall accompany any final billings.

4.7.9. The Agency may at any time cancel, at no cost, any space or time previously authorized for publication or broadcast provided the publisher or other owner of said space or time will accept such cancellation without financial penalty. The Agency may also cancel any space or other time previously authorized for which there is a cancellation penalty, but such penalty shall be paid by the Agency.

4.7.10. The Contractor shall present alternative outreach options to the Agency such as: bus posters, movie theaters, or outdoor placements.

4.8. **Public Service Announcements.** If requested by the Agency, the Contractor shall develop informational materials to be provided to media outlets as public service announcements to run at no charge to the Agency. The Contractor may be asked to secure statewide public service announcements. The Contractor shall develop a plan to achieve media acceptance of these materials, propose low-cost production of these materials, and provide the Agency with a periodic report on the reported usage of such materials. The Contractor shall be responsible for ensuring proper performance of all public service announcement media contracts or paid media contracts.

4.9. **Added-Value/Bonus Commercials.** The Contractor shall negotiate added-value promotions and free bonus space, using the Agency's strategies and direction with all radio and Television stations included in all Agency media buys. Any added-value promotions or bonus spots provided by participating stations or social media outlets shall be identified in the summary of media buys, and the value of the bonus spots shall be calculated and provided to the Agency to demonstrate and quantify the savings.

4.10. **Promotional or Outreach Events.**

4.10.1. The Contractor shall provide through Contractor's staff, and/or in cooperation with the Agency or other contractors, the coordination, production, and bilingual staffing of promotional functions at community and special events. Written Agency approval of expenditures must be received prior to the event. The Contractor shall be reimbursed for actual expenses incurred as a result of the Contractor's performance of the services provided. Itemized invoices must be submitted according to Agency billing requirements.

4.10.2. When the Agency is contacted by a company offering promotional or outreach opportunities for the Agency, the Agency will direct the inquiring party to provide the information to the Contractor. For each of these requests, the Contractor shall review the information and provide a written evaluation of the media or promotional opportunity in context with Agency objectives and strategies.

4.10.3. If requested by the Agency, the Contractor shall also develop joint advertising and promotional opportunities with potential co-sponsors—particularly with other Arizona entities—and facilitate execution of any Agency-approved program.

5. **Design Firm Services (Creative).** The Contractor shall perform all functions normally required of a Design Firm/Creative Services provider necessary for the development of advertising in various media including non-traditional and social media as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

5.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for creative services and will expect the Contractor to develop a cost-effective plan that is responsive to the Agency's marketing needs. Subsequent plans shall be incorporated into the Agency's budget and are subject to approval by the Agency.

5.1.1. The Contractor shall develop a campaign or annual plan and budget in a time frame set by the Agency.

5.1.2. The plan and budget shall be submitted to the Agency for approval. The plan shall be reviewed at the time frame established by the Agency and revised as desired by the Agency.

5.1.3. The plan shall detail all campaigns planned during each fiscal year, including budget estimates for each

5.2. **Staff/Consulting.** The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency. The account management staff shall conduct status meetings with the Agency and



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provide reports on projects in process at time frames determined in conjunction with the Agency. The account management staff shall also provide other reports as required by the Agency.

5.3. **Creative.** Under the direction of the Agency, the Contractor shall be responsible for the creation of effective advertising materials including, but not limited to, radio, television, print, digital, direct, internet, and outdoor.

5.3.1. The Contractor shall develop multimedia campaigns in support of the objectives of the Agency.

5.3.2. The Contractor shall offer alternative creative concepts to an Agency for a campaign. Unless otherwise directed by the Agency, at least three different creative concepts shall be offered when the Contractor is making any initial creative presentation to the Agency. Each shall reflect a distinctly different tone, approach, and style.

5.3.3. The Contractor shall provide the Agency with a timely response to its advertising needs and schedules for all projects, allowing sufficient time for developing, presenting, and refining at least three creative concepts, editing and revising the selected option per the Agency request, obtaining final approval from the Agency staff and other Agency designees, producing the final product, and distributing the finished product according to the Agency specifications. In most cases, materials will be delivered to one central location—the Agency's central office.

5.4. **Public Service Announcements.** The Contractor shall be required to develop informational materials to be provided to media outlets as public service announcements to run at no charge to the Agency.

6. **Production Services.** The Contractor shall perform all functions normally required of a Production Company for the preparation of advertising in various media as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

6.1. **Plan and Budget.** The Contractor shall develop a budget for any proposed Agency production project. The Agency will provide the Contractor with a target amount for production services and will expect the Contractor to develop a cost-efficient plan that is responsive to the Agency's needs. Plans are subject to approval by the Agency. The plan and budget shall provide a breakdown of proposed spending by media type and proposed production costs by category.

6.2. **Production.** Under the direction of the Agency, the Contractor shall be responsible for the production of effective advertising materials for radio and television and digital (contractor will need to be able to program and design for online ads) as well as social media. Contractor may be required to work with a third party on certain State projects.

6.2.1. The Contractor shall provide the Agency with a timely response to its advertising needs and schedules for all projects. Sufficient time will be allowed for developing the project, editing and revising the product per the Agency request, obtaining final approval from the Agency staff, producing the final product, and distributing the finished product according to the Agency specifications. In most cases, materials will be delivered to one central location—the Agency's central office.

6.2.2. When producing any creative work, the Contractor shall not vary from approved scripts, storyboards, or print layouts without Agency approval. Failure to adhere to approved scripts, storyboards, or layouts may void the Agency's approval of the estimate for the project. The Contractor shall be liable for all costs if advertisements or collateral materials are executed in a manner not consistent with the Agency's approval.

6.2.3. The Contractor shall provide all necessary components needed to produce television and radio commercials. These components include, but are not limited to: directorial services, production management, audio recording, music, graphics, animation, film crew, talent, editing personnel, film transfer, and telecine.

6.2.4. Contractor must have the capability to shoot in all modern digital formats.

6.2.5. The Contractor shall provide all necessary duplication services for distribution of the produced commercials. For audio, the Contractor must be able to provide the following duplication formats: cassette, CD, DAT. In addition, the contractor must have an electronic delivery method such as DGS and other digital formats as needed.

6.2.6. The Contractor must collaborate with the Agency on all aspects of the production process, including but not limited to, storyboard creation, scripting, translation, location scouting, casting, shooting, audio recording, editing, effects, duplication and trafficking. Commercials may be filmed on-site at State locations (e.g., State Fairgrounds during Arizona State Fair).

6.2.7. The Contractor shall assist with dubbing, transcribing, and duplication of material for broadcasting services, and with "mechanical art" for print in newspaper, magazines or other publications.



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6.2.8. The Contractor shall obtain the most cost-effective talent and usage agreements involving Screen Actors Guild (SAG) or American Federation of Radio and Television Artists (AFTRA) talent as appropriate and recommend extended talent cycles and buyouts in cases when additional uses of advertisements and their components are anticipated and approved in advance by the Agency.

6.3. **Public Service Announcements.** The Contractor shall be required to produce materials to be provided to media outlets as public service announcements to run at no charge to the Agency.

7. **Media Services.** The Contractor shall perform all functions normally required of a Media Placement agency necessary for the economic and effective placement of advertising in various media as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

7.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for placement services and will expect the Contractor to develop a cost-efficient plan that is responsive to the Agency's marketing needs. The Contractor shall make recommendations regarding ways to generate cost savings wherever possible.

7.2. **Staffing/Consulting.** The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency. The account management staff shall conduct status meetings with the Agency and provide status reports on projects in process at timeframes determined in conjunction with the Agency. The contractor's staff shall advise the Agency on the most effective placements and approaches to maximize desirable outcomes using limited funds.

7.3. **Media Service.** The Contractor shall be responsible for developing and updating an annual or campaign Media Plan, for negotiating and placing Agency materials effectively and efficiently, and for verifying actual placement as required by the Agency.

7.3.1. The Contractor shall be responsible for developing and updating an annual or campaign Media Plan as required by the Agency that maximizes results, achieves specific objectives, and supports creative and other strategic direction to provide measurable results. The plan could include such elements as an identification of when and what type of media should be written and placed, time schedules for identifying and analyzing demographic market and delivering media coverage, and a means to determine the effectiveness of the media campaign.

7.3.2. The Contractor shall be responsible for the negotiation, purchase, instruction, and delivery of materials for the placement of media time and space and shall explain the process of selecting media outlets to the Agency.

7.3.3. In negotiating media purchases, the Contractor shall make the Agency aware of any savings that might be achieved through long-term commitments or other special programs. Any such commitments shall be approved by the Agency and any savings shall be passed on to the Agency.

7.3.4. When the Agency is contacted by a company offering media or promotional opportunities for the Agency, the Agency shall direct the inquiring party to provide the information to the Contractor. For each of these requests, the Contractor shall review the information and provide a written evaluation of the media or promotional opportunity in context with Agency objectives and strategies.

7.3.5. The Contractor shall implement a system to ensure that all media was run or published according to any contracts or placement instructions. Affidavits, tear sheets, or other documentation shall be provided.

7.3.6. The Contractor shall notify the Agency before approving any make goods for any ads that did not run as scheduled. All such materials shall be maintained by the Contractor and shall be available for inspection by the Agency or authorized by Agency representatives.

7.3.7. The Contractor shall submit to the Agency any invoices for paid media advertising or campaigns in a timely manner. Affidavits and tear sheets shall accompany any final billings.

7.3.8. The Agency may at any time cancel, at no cost, any space or time previously authorized for publication or broadcast provided the publisher or other owner of said space or time will accept such cancellation without financial penalty. The Agency may also cancel any space or other time previously authorized for which there is a cancellation penalty, but such penalty shall be paid by the Agency.

7.3.9. The Contractor shall present alternative outreach options to the Agency such as: bus posters, movie theater slides, movie theater digital video, or outdoor placements (30-sheets, bulletins, mall kiosks, bus shelters, and social media).

7.4. **Public Service Announcements.** The Contractor shall provide informational materials to media outlets as public service announcements to run at no charge to the Agency.

7.5. **Added-Value/Bonus Commercials.** The Contractor shall negotiate added-value promotions and free bonus spots, using the Agency's strategies and direction with all Agency media buys. Any added-value promotions



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or bonus spots provided by participating outlets shall be identified in the summary of media buys, and the value of the bonus spots shall be calculated and provided to the Agency to demonstrate and quantify the savings.

8. **Interactive Marketing Services.** The Contractor shall perform all functions normally required of an interactive marketing services provider necessary for the development, preparation, and placement of information or advertising on the internet or similar electronic media as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

8.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for interactive marketing services and will expect the Contractor to develop a cost-effective plan that is responsive to the Agency's needs. Subsequent plans shall be incorporated into the Agency's budget and are subject to approval by the Agency.

8.2. **Staffing/Consulting.**

- 8.2.1. The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency.
- 8.2.2. Contractor staff would provide Agency with analysis, advice, and support for key Agency initiatives.
- 8.2.3. The Contractor shall provide support for issues, problems or emergencies related to the Agency websites, including both at-work hours and in some instances, after hour's coverage.

8.3. **Interactive.**

- 8.3.1. The Contractor shall be responsible for activities related to the Internet that may include, but are not limited to: creative development of the Agency website(s) graphics and promotions; smart phone/tablet applications development; UI/UX services; interactive web-user retention and acquisition strategies; SEO, SEM, programming HTML, reviewing and evaluating all Internet-related media proposals; gaining knowledge of website users through research and web-based surveys; co-promotional opportunities and placing Internet advertising for Agency materials. The Contractor must collaborate with the Agency on all aspects of the development process. Contractor shall provide ongoing advice to the Agency regarding effective interactive marketing and promotions to include but not be limited to online, social media mobile and pay per click advertising.
- 8.3.2. Contractor shall provide strategic advertising, interactive media and promotional planning.
- 8.3.3. Contractor shall provide web-based interactive and promotional creative planning and execution.
- 8.3.4. Contractor shall provide web-based interactive and promotional production.
- 8.3.5. The Contractor shall negotiate added-value promotions and free bonus spots, using the Agency's strategies and direction with all on-line vendors included in all Agency media buys. Any added-value promotions or bonus spots provided by online vendors shall be identified in the summary of media buys, and the value of the bonus spots shall be calculated and provided to the Agency to demonstrate and quantify the savings.

9. **Public Relations.** The Contractor shall perform all functions normally required of a public relations firm within the State of Arizona as the Agency shall direct or deem necessary. Service requirements under this contract category may include, but are not limited to, the following:

9.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for services and will expect the Contractor to develop a cost-effective plan that is responsive to the Agency's needs. Subsequent plans shall be incorporated into the Agency's budget and are subject to approval by the Agency.

- 9.1.1. The Contractor shall develop a budget for all public relations and related expenditures and modify this budget as required by the Agency.
- 9.1.2. The Plan and Budget shall be submitted to the Agency for approval. The plan shall be reviewed at the time frame established by the Agency and revised as desired by the Agency.

9.2. **Staff/Consulting.** The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency. The account management staff shall conduct status meetings with the Agency and provide reports on projects in process at time frames determined in conjunction with the Agency. The consulting or account management staff shall advise on most effective placements and approaches to maximize desirable outcomes using limited funds.

9.3. **Public Relations.** The Contractor shall provide comprehensive public relations/communications consultation and advice by the Agency. The services provided should include, at a minimum:

- 9.3.1. Planning support such as developing product or initiative promotion plans, strategic communications plans, corporate and community-based communication programs, and crisis communication planning.



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9.3.2. Consultation Support such as providing public relations and media relations counsel, designing and supporting media relations proposals and designing and supporting corporate and community outreach.

9.3.3. Staffing and other support such as providing support for publicity, special events, and public relations, assisting with media, speechwriting, and assisting the agency in maximizing effective communications (e.g., drafting and distributing news releases, working with the Agency or other contractors in providing bilingual speakers for events).

9.4. **Public Service Announcements.** The Contractor may be asked to secure statewide public service announcements. The Contractor shall develop a plan to achieve media acceptance of these materials, propose low-cost production of these materials, and provide the Agency with a periodic report on the reported usage of such materials.

9.5. **Promotional or Outreach Events.**

9.5.1. The Contractor shall provide through Contractor's staff, and/or in cooperation with the Agency or other contractors, the coordination, production, and bilingual staffing of promotional functions at community and special events. Written Agency approval of expenditures must be received prior to the event. The Contractor shall be reimbursed for actual expenses incurred as a result of the Contractor's performance of the services provided. Itemized invoices must be submitted according to Agency billing requirements.

9.5.2. When the Agency is contacted by a company offering promotional or outreach opportunities for the Agency, the Agency will direct the inquiring party to provide the information to the Contractor. For each of these requests, the Contractor shall review the information and provide a written evaluation of the media or promotional opportunity in context with Agency objectives and strategies.

9.5.3. If requested by the Agency, the Contractor shall also develop joint advertising and promotional opportunities with potential co-sponsors—particularly with other Arizona entities—and facilitate execution of any Agency-approved program.

10. **Multicultural Focus Marketing Partner.** The Contractor shall perform all functions normally required of a full-service advertising agency necessary for the development, preparation, and placement of advertising in various media as the Agency shall direct or deem necessary. The Agency is seeking a Contractor to work cooperatively with the Agency, the General Market Advertising Contractor, and other contractors in producing successful multicultural marketing, advertising, and promotional support for Agency products and initiatives. Service requirements under this contract category may include, but are not limited to, the following:

10.1. **Plan and Budget.** The Agency will provide the Contractor with a target amount for advertising services and will expect the Contractor to develop a cost-effective plan that is responsive to the Agency's marketing needs. Subsequent plans shall be incorporated into the Agency's budget and are subject to approval by the Agency.

10.1.1. The Contractor shall develop a campaign or annual Advertising Plan and Budget in a time frame set by the Agency.

10.1.2. The Advertising Plan and Budget shall be submitted to the Agency for approval. The plan shall be reviewed at the time frame established by the Agency and revised as desired by the Agency.

10.1.3. The Advertising Plan shall detail all campaigns planned during each fiscal year, including budget estimates for each.

10.1.4. The Advertising Plan shall provide a breakdown of proposed spending by media type and proposed production costs.

10.2. **Staff/Consulting.** The Contractor shall provide sufficient staff to meet the Scope of Work and respond to needs as required by the Agency. The account management staff shall conduct status meetings with the Agency and provide reports on projects in process at time frames determined in conjunction with the Agency. The consulting or account management staff shall advise on most effective placements and approaches to maximize desirable outcomes using limited funds.

10.3. **Research.** The Contractor shall recommend, design, implement, and analyze market research opportunities and results—utilizing research to develop strategies for marketing Agency products as required by the Agency.

10.3.1. The Contractor will manage research projects to determine campaign or program effectiveness and gauge changes in target audience attitudes and perceptions. Research services to be provided by the Contractor may include, but are not limited to, monthly tracking studies, focus group research, consumer segmentation studies, media research, psychographic behavior studies, brand identification analysis, and advertising concept testing.



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- 10.3.2. Contractor will work cooperatively with other state research contractors, or to apply results provided by those contractors, as required by the Agency. The Agency will take ownership of all research results, materials, and databases generated by the Contractor on behalf of the Agency.
- 10.3.3. Working with different State agencies as their needs require, the Contractor shall research and propose a marketing strategy pertinent to the specific outreach requirements of each requesting agency.
- 10.3.4. If identified in the plan, the Agency shall pay all telephone and facsimile charges necessary for the rendering of special or unusual services, such as special phone surveys.
- 10.4. Creative. Under the direction of the Agency, the Contractor shall be responsible for the creation of effective multicultural-focus advertising materials including, but not limited to, radio, television, print, digital, direct, internet, and outdoor.
  - 10.4.1. The Contractor shall develop multimedia campaigns in support of the objectives of the Agency.
  - 10.4.2. The Contractor shall offer alternative creative concepts to an Agency for a campaign. Unless otherwise directed by the Agency, at least three different creative concepts shall be offered when the Contractor is making any initial creative presentation to the Agency. Each shall reflect a distinctly different tone, approach, and style.
  - 10.4.3. The Contractor shall provide the Agency with a timely response to its advertising needs and schedules for all projects, allowing sufficient time for developing, presenting, and refining at least three creative concepts, editing and revising the selected option per the Agency request, obtaining final approval from the Agency staff and other Agency designees, producing the final product, and distributing the finished product according to the Agency specifications. In most cases, materials will be delivered to one central location—the Agency's central office.
- 10.5. Production. Under the direction of the Agency, the Contractor shall be responsible for the production of effective advertising materials for radio, television and digital (contractor will need to be able to program and design for online ads) as well as social media. Contractor may be required to work with a third party on certain State projects.
  - 10.5.1. The Contractor shall have the capability to produce, film and edit television, online and radio commercials as required by the Agency. The Contractor shall provide all necessary components which include, but are not limited to: directorial services, production management, audio recording, music, graphics, animation, film crew, talent, editing personnel, film transfer, and telecine.
  - 10.5.2. Contractor must have the capability to shoot in all digital formats.
  - 10.5.3. Contractor must have the capability to shoot in all modern digital formats.
  - 10.5.4. The Contractor shall provide all necessary duplication services for distribution of the produced commercials. For audio, the Contractor must be able to provide the following duplication formats: cassette, CD, DAT. In addition, the contractor must have an electronic delivery method such as DGS and other digital formats as needed.
  - 10.5.5. The Contractor must collaborate with the Agency on all aspects of the production process, including but not limited to, storyboard creation, scripting, translation, location scouting, casting, shooting, audio recording, editing, effects, duplication and trafficking. Commercials may be filmed on-site at State locations (e.g., State Fairgrounds during Arizona State Fair).
  - 10.5.6. The Contractor shall provide the Agency with a timely response to its production needs and schedules for all projects. In most cases, materials will be delivered to one central location—the Agency's central office.
  - 10.5.7. The Contractor shall obtain the most cost-effective talent and usage agreements involving Screen Actors Guild (SAG) or American Federation of Radio and Television Artists (AFTRA) talent as appropriate and recommend extended talent cycles and buyouts in cases when additional uses of advertisements and their components are anticipated and approved in advance by the Agency.
- 10.6. Public Relations. The Contractor shall provide comprehensive public relations/communications consultation and advice to the Agency. The services provided should include, at a minimum:
  - 10.6.1. Planning support such as developing product or initiative promotion plans, strategic communications plans, corporate and community-based communication programs, and crisis communication planning.
  - 10.6.2. Consultation support such as providing public relations and media relations counsel, designing and supporting media relations proposals and designing and supporting corporate and community outreach.



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10.6.3. Staffing and other support such as providing support for publicity, special events, and public relations, assisting with media, speechwriting, and assisting the agency in maximizing effective communications (e.g., drafting and distributing news releases, working with the Agency or other contractors in providing bilingual speakers for events).

10.7. **Media Services.** The Contractor shall be responsible for developing and updating an annual or campaign Media Plan, for negotiating and placing Agency materials effectively and efficiently, and for verifying actual placement as required by the Agency.

10.7.1. If requested by the Agency, the Contractor shall develop a plan that maximizes results, achieves specific objectives, and supports creative and other strategic direction to provide measurable results. The plan could include such elements as a schedule to meet with focus groups, procedures to implement awareness campaign, identification of when and what type of media should be written and placed, time schedules for identifying and analyzing demographic market and delivering media coverage, and a means to determine the effectiveness of the media campaign.

10.7.2. The Contractor shall be responsible for the negotiation, purchase, instruction, and delivery of materials for the placement of media time and space and shall explain the process of selecting media outlets to the Agency.

10.7.3. In negotiating media purchases, the Contractor shall make the Agency aware of any savings that might be achieved through long-term commitments or other special programs. Any such commitments shall be approved by the Agency and any savings shall be passed on to the Agency.

10.7.4. When the Agency is contacted by a company offering media or promotional opportunities for the Agency, the Agency will direct the inquiring party to provide the information to the Contractor. For each of these requests, the Contractor shall review the information and provide a written evaluation of the media or promotional opportunity in context with Agency objectives and strategies.

10.7.5. The Contractor shall implement a system to ensure that all media was run or published according to any contracts or placement instructions. Affidavits, tear sheets, or other documentation shall be provided.

10.7.6. The Contractor shall notify the Agency before approving any make goods for any ads that did not run as scheduled. All such materials shall be maintained by the Contractor and shall be available for inspection by the Agency or authorized by Agency representatives.

10.7.7. The Contractor shall submit to the Agency any invoices for paid media advertising or campaigns in a timely manner. Affidavits and tear sheets shall accompany any final billings.

10.7.8. The Agency may at any time cancel, at no cost, any space or time previously authorized for publication or broadcast provided the publisher or other owner of said space or time will accept such cancellation without financial penalty. The Agency may also cancel any space or other time previously authorized for which there is a cancellation penalty, but such penalty shall be paid by the Agency.

10.7.9. The Contractor shall present alternative outreach options to the Agency such as: bus posters, movie theaters, or outdoor placements.

10.8. **Public Service Announcements.** If requested by the Agency, the Contractor shall develop informational materials to be provided to media outlets as public service announcements to run at no charge to the Agency. The Contractor may be asked to secure statewide public service announcements. The Contractor shall develop a plan to achieve media acceptance of these materials, propose low-cost production of these materials, and provide the Agency with a periodic report on the reported usage of such materials. The Contractor shall be responsible for ensuring proper performance of all public service announcement media contracts or paid media contracts.

10.9. **Added-Value/Bonus Commercials.** The Contractor shall negotiate added-value promotions and free bonus spots, using the Agency's strategies and direction with all radio and television stations included in all Agency media buys. Any added-value promotions or bonus spots provided by participating stations shall be identified in the summary of media buys, and the value of the bonus spots shall be calculated and provided to the Agency to demonstrate and quantify the savings.

10.10. **Promotional or Outreach Events.**

10.10.1. The Contractor shall provide through Contractor's staff, and/or in cooperation with the Agency or other contractors, the coordination, production, and bilingual staffing of promotional functions at community and special events. Written Agency approval of expenditures must be received prior to the event. The Contractor shall be reimbursed for actual expenses incurred as a result of the



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Contractor's performance of the services provided. Itemized invoices must be submitted according to Agency billing requirements.

- 10.10.2. When the Agency is contacted by a company offering promotional or outreach opportunities for the Agency, the Agency will direct the inquiring party to provide the information to the Contractor. For each of these requests, the Contractor shall review the information and provide a written evaluation of the media or promotional opportunity in context with Agency objectives and strategies.
- 10.10.3. If requested by the Agency, the Contractor shall also develop joint advertising and promotional opportunities with potential co-sponsors—particularly with other Arizona entities—and facilitate execution of any Agency-approved program.



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### 1. Definitions

1.1. **ProcureAZ Terms.** ProcureAZ (<https://procure.az.gov>) is the State's online eProcurement system. Although the system was configured for the State's needs, the application is based on a commercial product known as BuySpeed Online, made by Periscope Holdings, Inc. As a result, some of the terms used in the BuySpeed Online application may be semantically different to similar terms used by the State. The following terms are as they appear in BuySpeed Online (and ProcureAZ), along with their corresponding meanings as they apply to the solicitation.

1.1.1. "A.A.C." is the abbreviation for the Arizona Administrative Code.

1.1.2. "Actual Cost" means the total value of all items and their extended quantities.

1.1.3. "Advertising Services" for purposes of this Solicitation is the provision of budget management, strategic plan development, account management, multicultural, research, creative, public relations, media, digital, special events, retailer merchandising, and all other related Services detailed in the Scope of Work.

1.1.4. "A.R.S." is the abbreviation for Arizona Revised Statutes.

1.1.5. "Catalog ID" is an optional data field and means an identification number to signify a group of related contracts.

1.1.6. "Contact Instructions" means the contact information for the procurement officer.

1.1.7. "Contract Officer Representative" is the using agency personnel designated by the State Procurement Office to handle daily Contract administration, after the award of the Contract.

1.1.8. "Days ARO" means the number of days 'After Receipt of Order' in which the customer will receive the ordered materials and/or services.

1.1.9. "Department" means the State.

1.1.10. "Entered Date" means the date that the Contract was awarded, not necessarily the date the Contract starts, e.g., Master Blanket/Contract Begin Date.

1.1.11. "Fiscal Year" means the State Fiscal Year in which the solicitation was initiated. In the event of Contract(s) resulting from the solicitation, the Fiscal Year shall remain unchanged.

1.1.12. "Header Information" means the section of the solicitation or Contract, as displayed in ProcureAZ, containing solicitation or Contract information other than the line items.

1.1.13. "Item information" means the section of the solicitation or Contract, as displayed in ProcureAZ, containing the solicitation or Contract line items.

1.1.14. "Master Blanket/Contract Begin Date" means the date that the Contract starts.

1.1.15. "Master Blanket/Contract End Date" means the date that the Contract ends.

1.1.16. "Master Blanket/Contract End Date (Maximum)" means the date that the Contract may be extended through if all allowable term extensions are exercised.

1.1.17. "Master Blanket/Contract Vendor Distributor List" means the list of companies authorized to distribute the materials and/or services on behalf of the Contractor under the Contract.

1.1.18. "Master Blanket Purchase Order" means the Contract, indicating that the Contract will be in effect over a stated period of time.

1.1.19. "May" indicates something that is not mandatory but permissible.

1.1.20. "Media" has multiple meanings depending upon the context in which it is used. In reference to data, media means the physical mechanism used for data storage or memory (e.g., tapes, CD, DVD, hard disk). In reference to advertising services, media may mean: (a) the materials used to create advertising or (b) a method of mass communication, such as television, telephone, radio, print, outdoor advertising, or the Internet.

1.1.21. "Media Buy" means the purchase of mass communication media.

1.1.22. "Minor Status" is an optional data field and means a type of status indicator of the Contract in ProcureAZ.

1.1.23. "Offer" is a bid, proposal, or quotation provided in response to the Solicitation.

1.1.24. "Offeror" is a vendor who responds to the Solicitation.

1.1.25. "Pass-Through Costs" is defined as non-"Media" goods or services.

1.1.26. "Payment Terms" means the period of time that payment is due after receipt of an accurate invoice.

1.1.27. "Pcard Enabled" is an optional data field and means that customers are allowed to use their purchasing card (P-Card or Pcard) to order from the Contract within the ProcureAZ system.

1.1.28. "PO Acknowledgement" means the list the notifications to the Contractor and their acknowledgements of these notices.



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1.1.29. “*PO Type*” means the period of time that the Contract is in place, either a one-time transaction, Open Market, or for a stated period of time, Blanket.

1.1.30. “*Purchase Order*” means Contract.

1.1.31. “*Purchase Order Number*” means the Contract’s identification number.

1.1.32. “*Receipt Method*” means the method by which materials and/or services under the Contract are received, either by amount spent, Dollar, or by item units, Quantity.

1.1.33. “*Release Number*” means the order number of each order under the Contract. The Master Blanket/Contract will always reflect a zero “0” release number.

1.1.34. “*Release Type*” means the process that orders under the Contract are subject to within ProcureAZ, requiring approval on an order-by-order basis, e.g., Standard Releases or not requiring approval, e.g., Direct Release.

1.1.35. “*Request for Proposal or RFP*” is synonymous with “*Solicitation*.”

1.1.36. “*Shall / must*” indicates a mandatory requirement. Failure to meet mandatory requirements may result in the rejection of a proposal as non-responsive.

1.1.37. “*Shipping Method*” means the method of shipping to be used under the Contract.

1.1.38. “*Shipping Terms*” means the point where the Contractor will ship the materials and/or services to, and if accepted, the point when responsibility and title passes from the Contractor to the State.

1.1.39. “*Short Description*” means the Contract title.

1.1.40. “*Should*” indicates something that is recommended but not mandatory. If the Offeror fails to provide recommended information, the State may, at its sole option, ask the Offeror to provide the information or evaluate the proposal without the information.

1.1.41. “*Software*” is the compilation of electronic programs and other operating information used by a computer.

1.1.42. “*Solicitation*” is the State’s invitation to Offerors to bid on the Contract, and is synonymous with “*Request for Proposal or RFP*.”

1.1.43. “*Solicitation Amendment*” is a written document that is signed by the Procurement Officer and issued for the purpose of making changes to the *Solicitation*.

1.1.44. “*Status*” means the availability of the Contract within ProcureAZ for ordering, e.g., Sent status.

1.1.45. “*Subcontractor*” is any person who, or entity that, has a Subcontract with the State under this *Solicitation*.

1.1.46. “*Tax Code*” if applicable, means the amount of taxes, expressed as a percentage, to be added to all items purchased under the Contract. As items may be subject to differing tax rates, this field may be blank.

1.1.47. “*Vendor*” means Contractor.

### 2. Contract Administration and Operation

2.1. The Contract between the State of Arizona and the Contractor shall consist of the *Solicitation* as amended, any requests for clarifications and/or Best and Final Offers, the proposal submitted by the Contractor, their responses to any requests for clarifications and/or their Best and Final Offer. In the event of a conflict in language between the documents referenced above, the provision and requirements set forth and/or referenced in the *Solicitation* as amended shall govern. However, the State reserves the right to clarify any contractual requirements in writing, and such written clarification shall govern in case of conflict with the applicable requirements stated in the *Solicitation* as amended or the Contractor’s *Proposal*. In all other matters not affected by the written clarification, if any, the *Solicitation* shall govern.

2.2. Following award, the Contractor shall contact the Contractor Officer Representative for guidance or direction in matters of Contract interpretation or problems regarding the performance, terms, conditions, or scope of the Contract.

### 3. Term of Contract

3.1. The term of any resultant Contract shall commence on the date of award and will continue for one (1) year unless canceled, terminated or extended as otherwise provided herein. The Contract shall not bind nor purport to bind the State for any contractual commitment in excess of the original Contract term. By mutual written Contract amendment, any resultant Contract may be extended for supplemental periods with a maximum aggregate including all extensions not to exceed five (5) years.

### 4. Contract Extensions

4.1. By mutual written Contract amendment, any resultant Contract may be extended for four additional 12 month period or any portion thereof, such that the supplemental periods with a maximum aggregate including all extensions not to exceed five (5) years.



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### 5. Eligible Agencies(Statewide)

- 5.1. This Contract shall be for the use of all State of Arizona departments, agencies, commissions and boards. In addition, eligible State Purchasing Cooperative members may participate at their discretion. In order to participate in this Contract, a cooperative member shall have entered into a Cooperative Purchasing Agreement with the Department of Administration, State Procurement Office as required by Arizona Revised Statute § 41-2632.
- 5.2. Membership in the State Purchasing Cooperative is available to all Arizona political subdivisions including cities, counties, school districts, and special districts. Membership is also available to all non-profit organizations, as well as State governments, the US corporation as designated by the internal revenue service under section 501 (c)(3) through 501 (c)(6).

### 6. Non-Exclusive Contract

- 6.1. This Contract has been awarded with the understanding and agreement that it is for the sole convenience of the State. The State reserves the right to obtain like goods or services from another source when necessary. Off-Contract purchase authorization(s) may only be approved by the State Procurement Office. Approvals shall be at the exclusive discretion of the State and shall be final. Off-Contract procurement shall be consistent with the Arizona Procurement Code.
- 6.2. Contractor shall fully cooperate and carefully coordinate its work with the work of other Contractors. The Contractor shall not commit or permit any act which will interfere with the performance of work by any other Contractor.

### 7. Contract Type

- 7.1. This shall be a Firm Fixed-Price Contract

### 8. Multiple Awards

- 8.1. The State has a large number and variety of potential using agencies at locations throughout Arizona. In order to assure that any ensuing contracts will allow the State to fulfill current and further requirements, the State reserves the right to award contracts to multiple companies. The actual utilization of any contract will be at the sole discretion of the State. The fact that the State may make multiple awards should be taken into consideration by each potential Contractor.

### 9. Good Faith Cooperation with the State

- 9.1. The Contractor shall cooperate fully, in good faith, with the State as may be required in the performance of this Contract. This shall include attendance at meetings, discussion, and hearings, as may be required; presentation of data, as may be requested from time to time by the State to effect such cooperation; and compliance with all directives issued by the State. The Contractor shall not commit or permit any act which will interfere with the performance of work by State employees.

### 10. Task Assignment.

- 10.1. All services to be performed as described in this contract, shall be dictated by Task Assignment by the Eligible Agency. The Contractor shall not begin performance of any work under this Contract without first receiving a Task Assignment and Purchase Order issued by the Eligible Agency. In addition, the Contractor understands and agrees that the Task Assignment shall be performed on behalf of the Eligible Agency, which shall be responsible for the oversight and approval of the completed Task Assignment. All work performed under a Task Assignment shall be performed in accordance with the Contract. The Eligible Agency will communicate the Task Assignment to the Contractor describing the requested requirements.

- 10.2. Pricing may be negotiated on a Task Assignment Basis and shall not exceed Contract pricing.

### 11. Billing and Compensation

- 11.1. Contractor shall include the applicable prices for all services provided under the Contract, within the invoices submitted to the Eligible Agency and upon receipt of an undisputed payment by the Eligible Agency, wherein the amount of the Contractor's fees are not the subject of the dispute, Contract shall deduct the amount of their fees from the Eligible Agencies payment.
- 11.2. Invoices shall itemize all costs and fees for Advertising Services, including all expenses required to be prepaid by the Contractor and pass-through costs. In the case of pass-through costs, the Contractor shall pay for all such goods and services purchased for the Eligible Agency and shall submit invoices to the Eligible Agency for reimbursement, itemizing such expenditures without mark-up of any kind.
- 11.3. The State will not make payments to any Entity, Group or individual other than the Contractor with the Federal Employer Identification (FEI) Number identified in the Contract. Contractor invoices requesting payment to any Entity, Group or individual other than the contractually specified Contractor shall be returned to the Contractor for correction.



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- 11.4. Contractor shall review and ensure that the invoices for services provided show the correct Contractor name prior to sending the payment.
- 11.5. If the Contractor Name and FEI Number change, the Contractor must complete an "Assignment and Agreement" form transferring contract rights and responsibilities to the new Contractor. The State must indicate consent on the form. A written Contract Amendment must be signed by both parties and a new W-9 form must be submitted by the new Contractor and entered into the system prior to any payments being made to the new Contractor.
- 11.6. REMOVED (Reference Solicitation Amendment 1)
- 11.7. Media Mark-Up shall be based off the Net Media Cost.

### 12. Price Adjustments

- 12.1. Throughout the life of the Contract, the State reserves the right to pursue negotiations with the Contractor to secure price reductions. Any negotiated price changes shall be documented via a bilateral Contract Amendment.

### 13. Subcontractors

- 13.1. Supplemental to the Subcontractor term in the Uniform Terms and Conditions, Contractor shall not enter into any Subcontract under this Contract, for the provision of supplies or performance of services under this Contract, without the advance written approval, by way of bilateral Contract Amendment, of the State Procurement Office. When requesting the Procurement Officer's approval, the Contractor shall list all new subcontractors, their contact information, certifications required of them, their Minority and Women Owned Enterprise status (cite any certifications used in determining such status) as well as the Subcontractor's proposed responsibilities under the Contract. The Subcontractor's most current certificate of insurance shall be provided at this time as well. With the request, Contractor shall certify that all Subcontracts incorporate by reference the terms and conditions of the Contract.

### 14. Accuracy of Work

- 14.1. The Contractor shall be responsible for the accuracy of the work and shall promptly make all necessary revisions or corrections resulting from errors and omissions on the part of the Contractor without additional compensation. Acceptance of the work by the State will not relieve the Contractor of the responsibility for subsequent correction of any such errors and the clarification of any ambiguities.

### 15. New Equipment

- 15.1. All equipment, materials, parts and other components incorporated in the work or an item covered by this Contract shall be new, of the latest model and of the most suitable grade for the purpose intended.

### 16. Electronic or Information Technology Products/Services

- 16.1. Unless specifically authorized in the Contract, any electronic or information technology offered to the State under this Solicitation shall comply with A.R.S. § 41-3531 and § 41-3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.
- 16.2. Copies of all source code files produced under the Contract, required to develop the system object code and firmware, with any compilers, utilities, hardware, and required instructions, must be held in escrow for the duration of the Contract. Versions of the executables shall also be placed in escrow.
- 16.3. Current Product (Software). All products or software offered in this Contract shall be in current and ongoing production, shall have been formally announced for general marketing purposes; shall be a version currently functioning in a user (pay customer) environment and capable of meeting or exceeding all specifications and requirements set forth.

### 17. Protection of Facilities and Grounds

- 17.1. The Contractor shall provide the services contained herein in such a manner that does not result in damage to State facilities, grounds, landscaping, equipment, utilities, or structures. In the event that damage does occur during the performance of this Contract, the Contractor shall repair or replace the damage at no cost to the State as specified by the Contract Officer Representative.
- 17.2. Should the Contractor fail or refuse to make proper repairs or replacements, the Contractor shall be liable for the cost thereof which may be deducted from unpaid invoices or by any other means provided by law. Any and all equipment supplied by the Contractor(s) for use by the Eligible Agency shall remain the property of the Contractor.
- 17.3. The State shall be under no obligation to the Contractor in regards to any restoration or rehabilitation of the Contractor's premises or property during the Contract term or after the final Contract expiration date.

### 18. Safety Standards



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18.1. All items supplied under this Contract must comply with the current applicable occupational safety and health standards of the State of Arizona Industrial Commission, applicable building and electrical codes, and The National Fire Protection Association Standards.

### 19. Confidentiality of Records

19.1. The Contractor shall establish and maintain procedures and controls acceptable to the State for the purpose of assuring that information or data in its possession is not mishandled, misused, released, disclosed, or used in an inappropriate manner by it, its agents, officers, or employees. This includes information contained in its records obtained from the State or others, necessary for Contract performance. The Contractor shall take all reasonable steps and precautions to safeguard this information and data and shall not divulge the information or data to parties other than those needed for the performance of duties under the Contract.

### 20. Ownership of Intellectual Property

20.1. To the extent any work created by Contractor does not qualify as a "work for hire," under the Ownership of Intellectual Property section of the Uniform Terms and Conditions, Contractor hereby assigns, transfers, releases, and conveys to the State all rights, title, and interest to such Intellectual Property, including but not limited to all copyright, invention, trademark, trade name and trade secret rights, and United States patent rights or other patent rights recognized by a treaty to which the United States is a signatory.

20.2. Notwithstanding anything to the contrary in this Contract, if the State elects, in its sole and absolute discretion, to relinquish its ownership interest in any or all of the Intellectual Property, the State shall have the rights to use, modify, reproduce, release, perform, display, sublicense or disclose such Intellectual Property within State government and operations without restriction for any activity in which the State is a party (collectively, "Government Purpose Rights").

### 21. Vendor Performance Reports

21.1. Program management shall document Contractor performance, whether exemplary or needing improvement where corrective action is needed or desired. Copies of corrective action reports will be forwarded to the State Procurement Office for review and any necessary follow-up. The State Procurement Office may contact the Contractor upon receipt of the report and may request corrective action. The State Procurement Office shall discuss the Contractor's suggested corrective action plan with the Contract Officer Representative for approval of the plan.

### 22. Licenses

22.1. The Contractor shall maintain in current status all Federal, State and Local licenses and permits required for the operation of a business conducted by the Contractor.

### 23. Key Personnel

23.1. Contractor shall provide an adequate number of appropriately qualified and authorized individuals dedicated to the successful performance of the Contract. Contractor shall at a minimum, designate those specific Key Personnel required by the State along with all other Key Personnel who will support Contractor's performance of the services described herein. Contractor shall maintain a list of all such Key Personnel and their respective information and keep this list and the State updated in this regard throughout the Term of the Contract. Should the actions or inactions of Contractor's Key Personnel delay, compromise, aggravate or otherwise prove to be disharmonious to the Contractors successful performance of the required Services, at the State's reasonable request Contractor shall replace or reassign such Key Personnel. Any replacement Key Personnel shall be of comparable knowledge, skills and abilities as the previous Key Personnel. All replacement Key Personnel shall be presented to the State for review and approval.

### 24. Travel

24.1. In- State travel or per diem by the Contractor to carry out its obligations under the Contract shall be at the Contractor's expense.

24.2. Out of State travel costs shall be reimbursed in accordance with the Travel Policies and Procedures set forth by the State of Arizona's General Accounting Office. Current Policies and Procedures can be found at <http://www.gao.az.gov/travel/>. If the Contractor anticipates travel for the project, the Contractor shall add a line to the quote identifying travel reimbursement compliant with the contract.

### 25. Appropriation of Funds

25.1. Every payment obligation of the Agency under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the Agency at the end of the period for which funds are available. No liability shall accrue to the Agency or the State of Arizona in the event this provision is exercised, and neither the Agency nor the State shall be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.



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### 26. Suspension or Debarment Certification

26.1. By signing the offer section of the Offer and Acceptance page, the bidder or Offeror certifies that the firm, business or person submitting the bid or offer has not been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity with any federal, state or local government. Signing the offer section without disclosing all pertinent information about a debarment or suspension shall result in rejection of the bid or offer or cancellation of a contract. The State also may exercise any other remedy available by law.

### 27. IT 508 Compliance

27.1. Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this solicitation shall comply with A.R.S. § 41-3531 and 3532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.

### 28. Financial Soundness

28.1. The Contractor must be financially stable and able to substantiate the financial stability of its company. If requested, current financial statements or other financial information deemed appropriate documenting financial soundness must be provided within five (5) business days of request. The State reserves the right to request additional documentation from the Contractor, regarding financial stability or reports on financial stability from independent financial rating services. The State reserves the right to reject Contractor if it does not demonstrate financial stability sufficient for the scope of this Contract. The State must be notified in writing of any substantial change in the Contractor's financial condition during the term of the Contract. Failure to notify the Eligible Agency of such a substantial change in financial condition will be sufficient grounds for terminating the Contract.

### 29. Americans with Disabilities Act of 1990

29.1. The Contractor shall comply with the Americans with Disabilities Act of 1990 (Public Law 101-336) and the Arizona Disability Act of 1992 (A.R.S. § 41-1492 et. seq.), which prohibits discrimination of the basis of physical or mental disabilities in delivering contract services or in the employment, or advancement in employment of qualified individuals.

29.2. Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Contractor. Request should be made as early as possible to allow time to arrange the accommodation.

### 30. Administrative Fee/Usage

30.1. Contractor shall pay an Administrative Fee to the State in the amount of one percent (1%) of the total contract sales. The Administrative Fee is calculated based on all sales transacted under the contract, minus all taxes and any returns or credits. The Administrative Fee shall not be charged directly to the customer, e.g., as a separate line item, a fee or a surcharge, but shall be included in the contract's unit prices.

30.2. The Administrative Fee shall be submitted, along with a Quarterly Usage Report documenting all contract sales, to the State Procurement Office within thirty (30) days following the end of each calendar quarter. For more information on the Quarterly Usage Report or the Administrative Fee, its calculation, submission or use, see the State Procurement Office's web site at <https://spo.az.gov/contractor-resources/statewide-contracts-administrative-fee>.

30.3. At its option, the State may limit the applicability of the Administrative Fee to contract sales from some customers and not to others, e.g., fee is only applicable to sales from members of the State Purchasing Cooperative and not sales to State Agencies. See the State's website (above) for more information in this regard. The State will provide thirty (30) days written notice before exercising or changing this option.

30.4. The applicable Administrative Fee shall be submitted, along with a Quarterly Usage Report to the State Procurement Office no later than the last day of the month following the end of each calendar quarter. Administrative Fees shall be submitted to the following address:

Department of Administration

Controller's Office

Attn: "Statewide Contracts Administrative Fee"

100 N. 15<sup>th</sup> Avenue, Suite 202

Phoenix, AZ 85007

The submission schedule for Administrative Fees and Usage Reports shall be as follows:

FY Q1 (July-September) Due October 31

FY Q2 (October-December) Due January 31



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FY Q3 (January-March)      Due April 30  
FY Q4 (April-June)      Due July 31

30.5. Failure to remit Administrative fees in a timely manner or remit fees inconsistent with the contract's requirements may result in the State exercising any recourse available under the contract including a third party audit of all contract activity. Should an audit be required by the State, the contractor shall reimburse the State for all costs associated with the audit up to \$5,000 or one (1%) percent of the contract's estimated annual value, whichever is higher.

### 31. Indemnification

31.1. To the fullest extent permitted by law, Contractor shall defend, indemnify, and hold harmless the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to as "Claims") for bodily injury or personal injury (including death), or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of, or recovered under, the Workers' Compensation Law or arising out of the failure of such Contractor to conform to any federal, state, or local law, statute, ordinance, rule, regulation, or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for Claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense, and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State of Arizona, its officers, officials, agents, and employees for losses arising from the work performed by the Contractor for the State of Arizona.

31.2. This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.

### 32. Insurance Requirements

32.1. Contractor and subcontractors shall procure and maintain, until all of their obligations have been discharged, including any warranty periods under this Contract, insurance against claims for injury to persons or damage to property arising from, or in connection with, the performance of the work hereunder by the Contractor, its agents, representatives, employees or subcontractors.

32.2. The Insurance Requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State of Arizona in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that arise out of the performance of the work under this Contract by the Contractor, its agents, representatives, employees or subcontractors, and the Contractor is free to purchase additional insurance.

32.3. Minimum Scope and Limits of Insurance. Contractor shall provide coverage with limits of liability not less than those stated below.

32.3.1. **Commercial General Liability – Occurrence Form.** Policy shall include bodily injury, property damage, and broad form contractual liability coverage.

32.3.1.1. General Aggregate	\$2,000,000
32.3.1.2. Products – Completed Operations Aggregate	\$1,000,000
32.3.1.3. Personal and Advertising Injury	\$1,000,000
32.3.1.4. Damage to Rented Premises	\$ 50,000
32.3.1.5. Each Occurrence	\$1,000,000

32.3.1.5.1. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

32.3.1.5.2. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.



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32.3.2. **Automobile Liability.** Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

32.3.2.1. Combined Single Limit (CSL) \$1,000,000

32.3.2.1.1. Policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by, or on behalf of, the Contractor involving automobiles owned, hired and/or non-owned by the Contractor.

32.3.2.1.2. Policy shall contain a waiver of subrogation endorsement as required by this written agreement in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

32.3.3. **Workers' Compensation and Employers' Liability**

32.3.3.1. Workers' Compensation Statutory

32.3.3.2. Employers' Liability

32.3.3.2.1. Each Accident \$1,000,000

32.3.3.2.2. Disease – Each Employee \$1,000,000

32.3.3.2.3. Disease – Policy Limit \$1,000,000

32.3.3.3. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

32.3.3.4. This requirement shall not apply to each Contractor or subcontractor that is exempt under A.R.S. § 23-901, and when such Contractor or subcontractor executes the appropriate waiver form (Sole Proprietor or Independent Contractor).

32.3.4. **Professional Liability (Errors and Omissions Liability)**

32.3.4.1. Each Claim \$2,000,000

32.3.4.2. Annual Aggregate \$2,000,000

32.3.4.3. In the event that the Professional Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised, for a period of two (2) years beginning at the time work under this Contract is completed.

32.3.4.4. The policy shall cover professional misconduct or negligent acts for those positions defined in the Scope of Work of this contract.

32.3.5. **Network Security (Cyber) and Privacy Liability**

32.3.5.1. Each Claim \$2,000,000

32.3.5.2. Annual Aggregate \$2,000,000

32.3.5.3. Such insurance shall include, but not be limited to, coverage for third party claims and losses with respect to network risks (such as data breaches, unauthorized access or use, ID theft, theft of data) and invasion of privacy regardless of the type of media involved in the loss of private information, crisis management and identity theft response costs. This should also include breach notification costs, credit remediation and credit monitoring, defense and claims expenses, regulatory defense costs plus fines and penalties, cyber extortion, computer program and electronic data restoration expenses coverage (data asset protection), network business interruption, computer fraud coverage, and funds transfer loss.

32.3.5.4. In the event that the Network Security and Privacy Liability insurance required by this Contract is written on a claims-made basis, Contractor warrants that any retroactive date under the policy shall precede the effective date of this Contract and, either continuous coverage will be maintained, or an extended discovery period will be exercised for a period of two (2) years beginning at the time work under this Contract is completed.

32.3.5.5. The policy shall be endorsed, as required by this written agreement, to include the State of Arizona, and its departments, agencies, boards, commissions, universities, officers,



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officials, agents, and employees as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor.

32.3.5.6. Policy shall contain a waiver of subrogation endorsement, as required by this written agreement, in favor of the State of Arizona, and its departments, agencies, boards, commissions, universities, officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

32.4. Additional Insurance Requirements. The policies shall include, or be endorsed to include, as required by this written agreement, the following provisions:

32.4.1. The Contractor's policies, as applicable, shall stipulate that the insurance afforded the Contractor shall be primary 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).

32.4.2. Insurance provided by the Contractor shall not limit the Contractor's liability assumed under the indemnification provisions of this Contract.

32.5. Notice of Cancellation. 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 the State of Arizona. Within two (2) business days of receipt, Contractor must provide notice to the State of Arizona 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 the Department and shall be mailed, emailed, hand delivered or sent by facsimile transmission to (State Representative's Name, Address & Fax Number).

32.6. Acceptability of Insurers. Contractor's insurance shall be placed with companies licensed in the State of Arizona or hold approved non-admitted status on the Arizona Department of Insurance List of Qualified Unauthorized Insurers. Insurers shall have an "A.M. Best" rating of not less than A- VII. The State of Arizona in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

32.7. Verification of Coverage

32.7.1. Contractor shall furnish the State of Arizona with certificates of insurance (valid ACORD form or equivalent approved by the State of Arizona) evidencing that Contractor has the insurance as required by this Contract. An authorized representative of the insurer shall sign the certificates.

32.7.1.1. All such certificates of insurance and policy endorsements must be received by the State before work commences. The State's receipt of any certificates of insurance or policy endorsements that do not comply with this written agreement shall not waive or otherwise affect the requirements of this agreement.

32.7.1.2. Each insurance policy required by this Contract must be in effect at, or prior to, commencement of work under this Contract. Failure to maintain the insurance policies as required by this Contract, or to provide evidence of renewal, is a material breach of contract.

32.7.1.3. All certificates required by this Contract shall be sent directly to the Department. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require complete copies of all insurance policies required by this Contract at any time.

32.8. Subcontractors. Contractor's certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall be responsible for ensuring and/or verifying that all subcontractors have valid and collectable insurance as evidenced by the certificates of insurance and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum Insurance Requirements identified above. The Department reserves the right to require, at any time throughout the life of the Contract, proof from the Contractor that its subcontractors have the required coverage.

32.9. Approval and Modifications. The Contracting Agency, in consultation with State Risk, reserves the right to review or make modifications to the insurance limits, required coverages, or endorsements throughout the life of this contract, as deemed necessary. Such action will not require a formal Contract amendment but may be made by administrative action.

32.10. Exceptions. In the event the Contractor or subcontractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a certificate of self-insurance. If the Contractor or subcontractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.



## Uniform Terms and Conditions

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- 1. Definition of Terms.** As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
  - 1.1. **"Attachment"** means any item the Solicitation requires the Offeror to submit as part of the Offer.
  - 1.2. **"Contract"** means the combination of the Solicitation, including the Uniform and Special Instructions to Offerors, the Uniform and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Offers; and any Solicitation Amendments or Contract Amendments.
  - 1.3. **"Contract Amendment"** means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
  - 1.4. **"Contractor"** means any person who has a Contract with the State.
  - 1.5. **"Days"** means calendar days unless otherwise specified.
  - 1.6. **"Exhibit"** means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
  - 1.7. **"Gratuity"** means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
  - 1.8. **"Materials"** means all property, including equipment, supplies, printing, insurance and leases of property but does not include land, a permanent interest in land or real property or leasing space.
  - 1.9. **"Procurement Officer"** means the person, or his or her designee, duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract.
  - 1.10. **"Services"** means the furnishing of labor, time or effort by a contractor or subcontractor which does not involve the delivery of a specific end product other than required reports and performance, but does not include employment agreements or collective bargaining agreements.
  - 1.11. **"Subcontract"** means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
  - 1.12. **"State"** means the State of Arizona and Department or Agency of the State that executes the Contract.
  - 1.13. **"State Fiscal Year"** means the period beginning with July 1 and ending June 30.
- 2. Contract Interpretation**
  - 2.1. **Arizona Law.** The Arizona law applies to this Contract including, where applicable, the Uniform Commercial Code as adopted by the State of Arizona and the Arizona Procurement Code, Arizona Revised Statutes (A.R.S.) Title 41, Chapter 23, and its implementing rules, Arizona Administrative Code (A.A.C.) Title 2, Chapter 7.
  - 2.2. **Implied Contract Terms.** Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
  - 2.3. **Contract Order of Precedence.** In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
    - 2.3.1. Special Terms and Conditions;
    - 2.3.2. Uniform Terms and Conditions;
    - 2.3.3. Statement or Scope of Work;
    - 2.3.4. Specifications;
    - 2.3.5. Attachments;
    - 2.3.6. Exhibits;
    - 2.3.7. Documents referenced or included in the Solicitation.
  - 2.4. **Relationship of Parties.** The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
  - 2.5. **Severability.** The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
  - 2.6. **No Parole Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document and no other understanding either oral or in writing shall be binding.
  - 2.7. **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- 3. Contract Administration and Operation**
  - 3.1. **Records.** Under A.R.S. § 35-214 and § 35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data and other "records" relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and



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audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.

- 3.2. **Non-Discrimination.** The Contractor shall comply with State Executive Order No. 2009-09 and all other applicable Federal and State laws, rules and regulations, including the Americans with Disabilities Act.
- 3.3. **Audit.** Pursuant to ARS § 35-214, at any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State and, where applicable, the Federal Government, to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4. **Facilities Inspection and Materials Testing.** The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes or services, at reasonable times for inspection of the facilities or materials covered under this Contract. The State shall also have the right to test, at its own cost, the materials to be supplied under this Contract. Neither inspection of the Contractor's facilities nor materials testing shall constitute final acceptance of the materials or services. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5. **Notices.** Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Offer and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An authorized Procurement Officer and an authorized Contractor representative may change their respective person to whom notice shall be given by written notice to the other and an amendment to the Contract shall not be necessary.
- 3.6. **Advertising, Publishing and Promotion of Contract.** The Contractor shall not use, advertise or promote information for commercial benefit concerning this Contract without the prior written approval of the Procurement Officer.
- 3.7. **Property of the State.** Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.
- 3.8. **Ownership of Intellectual Property.** Any and all intellectual property, including but not limited to copyright, invention, trademark, trade name, service mark, and/or trade secrets created or conceived pursuant to or as a result of this contract and any related subcontract ("Intellectual Property"), shall be work made for hire and the State shall be considered the creator of such Intellectual Property. The agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract shall own (for and on behalf of the State) the entire right, title and interest to the Intellectual Property throughout the world. Contractor shall notify the State, within thirty (30) days, of the creation of any Intellectual Property by it or its subcontractor(s). Contractor, on behalf of itself and any subcontractor(s), agrees to execute any and all document(s) necessary to assure ownership of the Intellectual Property vests in the State and shall take no affirmative actions that might have the effect of vesting all or part of the Intellectual Property in any entity other than the State. The Intellectual Property shall not be disclosed by contractor or its subcontractor(s) to any entity not the State without the express written authorization of the agency, department, division, board or commission of the State of Arizona requesting the issuance of this contract.
- 3.9. **Federal Immigration and Nationality Act.** The contractor shall comply with all federal, state and local immigration laws and regulations relating to the immigration status of their employees during the term of the contract. Further, the contractor shall flow down this requirement to all subcontractors utilized during the term of the contract. The State shall retain the right to perform random audits of contractor and subcontractor records or to inspect papers of any employee thereof to ensure compliance. Should the State determine that the contractor and/or any subcontractors be found noncompliant, the State may pursue 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.
- 3.10. **E-Verify Requirements.** In accordance with A.R.S. § 41-4401, Contractor warrants compliance with all Federal immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.
- 3.11. **Offshore Performance of Work Prohibited.** Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and involve access to secure or sensitive data or personal client data shall be performed within the defined territories of the United States. Unless specifically



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stated otherwise in the specifications, this paragraph does not apply to indirect or 'overhead' services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.

## 4. Costs and Payments

- 4.1. **Payments.** Payments shall comply with the requirements of A.R.S. Titles 35 and 41, Net 30 days. Upon receipt and acceptance of goods or services, the Contractor shall submit a complete and accurate invoice for payment from the State within thirty (30) days.
- 4.2. **Delivery.** Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all freight delivery and unloading at the destination.
- 4.3. **Applicable Taxes.**
  - 4.3.1. **Payment of Taxes.** The Contractor shall be responsible for paying all applicable taxes.
  - 4.3.2. **State and Local Transaction Privilege Taxes.** The State of Arizona is subject to all applicable state and local transaction privilege taxes. Transaction privilege taxes apply to the sale and are the responsibility of the seller to remit. Failure to collect such taxes from the buyer does not relieve the seller from its obligation to remit taxes.
  - 4.3.3. **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 the State 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.
  - 4.3.4. **IRS W9 Form.** In order to receive payment the Contractor shall have a current I.R.S. W9 Form on file with the State of Arizona, unless not required by law.
- 4.4. **Availability of Funds for the Next State Fiscal Year.** Funds may not presently be available for performance under this Contract beyond the current state fiscal year. No legal liability on the part of the State for any payment may arise under this Contract beyond the current state fiscal year until funds are made available for performance of this Contract.
- 4.5. **Availability of Funds for the Current State Fiscal Year.** Should the State Legislature enter back into session and reduce the appropriations or for any reason and these goods or services are not funded, the State may take any of the following actions:
  - 4.5.1. Accept a decrease in price offered by the Contractor;
  - 4.5.2. Cancel the Contract; or
  - 4.5.3. Cancel the Contract and re-solicit the requirements.

## 5. Contract Changes

- 5.1. **Amendments.** This Contract is issued under the authority of the Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by a person who is not specifically authorized by the procurement officer in writing or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.
- 5.2. **Subcontracts.** The Contractor shall not enter into any Subcontract under this Contract for the performance of this contract without the advance written approval of the Procurement Officer. The Contractor shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities. The Subcontract shall incorporate by reference the terms and conditions of this Contract.
- 5.3. **Assignment of Delegation.** The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of the Procurement Officer. The State shall not unreasonably withhold approval.

## 6. Risk and Liability

- 6.1. **Risk of Loss.** The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- 6.2. **Indemnification.**
  - 6.2.1. **Contractor/Vendor Indemnification (Not Public Agency).** The parties to this contract agree that the State of Arizona, its departments, agencies, boards and commissions shall be indemnified and held



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harmless by the contractor for the vicarious liability of the State as a result of entering into this contract. However, the parties further agree that the State of Arizona, its departments, agencies, boards and commissions shall be responsible for its own negligence. Each party to this contract is responsible for its own negligence.

6.2.2. **Public Agency Language Only.** Each party (as 'indemnitor') agrees to indemnify, defend, and hold harmless the other party (as 'indemnitee') from and against any and all claims, losses, liability, costs, or expenses (including reasonable attorney's fees) (hereinafter collectively referred to as 'claims') arising out of bodily injury of any person (including death) or property damage but only to the extent that such claims which result in vicarious/derivative liability to the indemnitee, are caused by the act, omission, negligence, misconduct, or other fault of the indemnitor, its officers, officials, agents, employees, or volunteers."

6.3. **Indemnification – Patent and Copyright.** The Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph. If the contractor is insured pursuant to A.R.S. § 41-621 and § 35-154, this section shall not apply.

6.4. **Force Majeure.**

6.4.1. Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.

6.4.2. Force Majeure shall not include the following occurrences:

- 6.4.2.1. Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
- 6.4.2.2. Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
- 6.4.2.3. Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.

6.4.3. If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4. Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5. **Third Party Antitrust Violations.** The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7. **Warranties**

7.1. **Liens.** The Contractor warrants that the materials supplied under this Contract are free of liens and shall remain free of liens.

7.2. **Quality.** Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

- 7.2.1. Of a quality to pass without objection in the trade under the Contract description;
- 7.2.2. Fit for the intended purposes for which the materials are used;
- 7.2.3. Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;



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7.2.4. Adequately contained, packaged and marked as the Contract may require; and  
7.2.5. Conform to the written promises or affirmations of fact made by the Contractor.

7.3. **Fitness.** The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4. **Inspection/Testing.** The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5. **Compliance with Applicable Laws.** The materials and services supplied under this Contract shall comply with all applicable Federal, state and local laws, and the Contractor shall maintain all applicable licenses and permit requirements.

7.6. **Survival of Rights and Obligations after Contract Expiration or Termination.**

7.6.1. **Contractor's Representations and Warranties.** All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that pursuant to A.R.S. § 12-510, except as provided in A.R.S. § 12-529, the State is not subject to or barred by any limitations of actions prescribed in A.R.S., Title 12, Chapter 5.

7.6.2. **Purchase Orders.** The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by the Procurement Officer, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.

## 8. State's Contractual Remedies

8.1. **Right to Assurance.** If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, the Procurement Officer may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the Uniform Terms and Conditions or other rights and remedies available by law or provided by the contract.

8.2. **Stop Work Order.**

8.2.1. The State 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 period(s) of days indicated by the State after the order is delivered to the Contractor. 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.

8.2.2. If a stop work order issued under this clause is canceled or the period of the order or any extension expires, the Contractor shall resume work. The Procurement Officer shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.

8.3. **Non-Exclusive Remedies.** The rights and the remedies of the State under this Contract are not exclusive.

8.4. **Nonconforming Tender.** Materials or services supplied under this Contract shall fully comply with the Contract. The delivery of materials or services or a portion of the materials or services that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials or services, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the Uniform Commercial Code, or pursue any other right or remedy available to it.

8.5. **Right of Offset.** The State shall be entitled to offset against any sums due the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the Uniform Terms and Conditions.

## 9. Contract Termination

9.1. **Cancellation for Conflict of Interest.** Pursuant to A.R.S. § 38-511, the State may cancel this Contract within three (3) years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time. If the



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Contractor is a political subdivision of the State, it may also cancel this Contract as provided in A.R.S. § 38-511.

9.2. **Gratuities.** The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.

9.3. **Suspension or Debarment.** The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body. Submittal of an offer or execution of a contract shall attest that the contractor is not currently suspended or debarred. If the contractor becomes suspended or debarred, the contractor shall immediately notify the State.

9.4. **Termination for Convenience.** The State reserves the right to terminate the Contract, in whole or in part at any time when in the best interest of the State, without penalty or recourse. Upon receipt of the written notice, the Contractor shall stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State upon demand. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination. The cost principles and procedures provided in A.A.C. R2-7-701 shall apply.

9.5. **Termination for Default.**

9.5.1. In addition to the rights reserved in the contract, the State may terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The Procurement Officer shall provide written notice of the termination and the reasons for it to the Contractor.

9.5.2. Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

9.5.3. The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.

9.6. **Continuation of Performance through Termination.** The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.

### 10. Contract Claims

10.1. All contract claims or controversies under this Contract shall be resolved according to A.R.S. Title 41, Chapter 23, Article 9, and rules adopted thereunder.

### 11. Arbitration

11.1. The parties to this Contract agree to resolve all disputes arising out of or relating to this contract through arbitration, after exhausting applicable administrative review, to the extent required by A.R.S. § 12-1518, except as may be required by other applicable statutes (Title 41).

### 12. Comments Welcome

12.1. The State Procurement Office periodically reviews the Uniform Terms and Conditions and welcomes any comments you may have. Please submit your comments to: State Procurement Administrator, State Procurement Office, 100 North 15th Avenue, Suite 201, Phoenix, Arizona, 85007.



## Exhibit A

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### **Profiles of Potential Contract Users**

**Disclaimer:** The following should be considered examples of potential State Agencies' use of this Contract. The profiles indicate a possible or a historical service need for this Agency. This information should be used for illustrative purposes only.

#### **Arizona Commission for the Deaf and the Hard of Hearing**

##### **Mission:**

The mission of the Arizona Commission for the Deaf and the Hard of Hearing (ACDHH) is to empower 1.2 million citizens of Arizona who are Deaf, Deaf-Blind and Hard of Hearing by providing general information, services, and educating the community, about their rights to effective communication and equal access to public programs and services.

##### **Background:**

The primary outreach, information & referral goals of ACDHH is to ensure, in partnership with the public and private sector, accessibility for the Deaf and Hard of Hearing. Additionally, to increase awareness of ACDHH services provided to the citizens of Arizona.

##### **Service Need:**

ACDHH needs on-going comprehensive outreach and educational campaigns to reach targeted audience about the following services it provides to the citizens of Arizona:

1. Telecommunications Relay Services
  - a. ACDHH administers a statewide 24-hour telephone relay services.
2. Telecommunications Equipment Distribution Program
  - a. ACDHH provides telephone equipment for qualified AZ residents who are Deaf, Hard of Hearing, Speech Impaired, or Deaf-blind.
3. American Sign Language Interpreter Licensure
  - a. Law establishing Licensure; A.R.S. 36-1946, passed by Arizona State Legislature in 2000. It was designed to create a statewide standard for sign language interpreters.
4. Empowerment
  - a. ACDHH inform and educate Deaf and Hard of Hearing individuals about their rights and the laws and programs available to support those rights, the can become empowered as self-advocates.
5. Community Development
  - a. ACDHH works closely with community leaders to determine the resources available, and those that need to be expanded or created to better serve Deaf and Hard of Hearing citizens in each region.

##### **Marketing Services or Outlets:**

1. Television
2. Radio
3. Newspapers
4. Magazines
5. Internet (Website, Social Media; Facebook, Twitters, YouTube etc.).
6. Alternative Media (Media buys, local and national conferences exhibit booths, Special interest media and Digital media).

#### **Arizona Exposition and State Fair**

##### **Mission:**

The Mission of the Arizona Exposition and State Fair is to provide unlimited opportunity to celebrate Arizona's heritage, youth, industry, traditions, and future by bringing the entire community together.

##### **Background:**

The Arizona Exposition and State Fair (ASF) produces an annual Arizona State Fair. The Fair provides family-friendly entertainment at an economical cost. Highlights of the Fair experience include unique foods; thrill rides, and various amusement activities. In addition, what makes a fair a "Fair" are the agricultural, arts & crafts, photography, fine arts, 4-H and FFA animal or livestock exhibits and competitions. The Fair also hosts a variety of attractions, commercial sales exhibits, grandstand events, concerts and other forms of entertainment.

##### **Service Need:**



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ASF needs high quality captivating commercials that inform potential patrons of the coming year's Fair dates. The primary objective is to attract more people to the Fair each year. The challenge is to produce an advertisement that will be noticed amid the thousands of advertising messages seen or heard each day. Also, the commercials should directly or indirectly convey the fact that there is something for everyone at the Arizona State Fair. Since the month of October is traditionally busy with competing events, it is especially important to catch people's attention in a unique and creative way. These commercials should be consistent with ASF's image and also be appropriate for the advertising market and target audiences.

**Marketing Services or Outlets:**

1. Television
2. Radio
3. Alternative Media

### **Arizona Department of Revenue**

**Mission:**

The mission of the Arizona Department of Revenue is to administer tax laws fairly and efficiently for the people of Arizona. It is our vision that we set the standard for tax services.

**Background:**

The primary marketing need of ADOR is designed to increase the number of Arizona taxpayers filing electronically. The demographic is adults (18 or older) throughout the state who would file a tax return.

**Service Need:**

Outreach and education programs to Arizona taxpayers designed to promote electronic filing/payment of taxes.

**Marketing Services or Outlets:**

1. Television
2. Radio
3. Newspapers
4. Magazines
5. Internet
6. Alternative Media

### **Arizona Department of Gaming**

**Mission:**

The Mission of the Department of Gaming's Office of Problem Gambling is to provide and support effective problem gambling prevention, treatment, and education programs throughout Arizona.

**Background:**

The Arizona Department of Gaming, Office of Problem Gambling, has received marketing assistance in branding their services which include treatment, education, and prevention of problem gambling. Their toll free help line, 1-800-NEXT STEP, has been advertised on billboards, theater screens, print media, state employee paycheck stuffers, commercials, online and social media, and radio. They wish to continue to work with these and other media, to continue outreach of their awareness and assistance messages.

**Service Need:**

1. Media Buys
2. Outreach to general, multicultural, and niche audiences
3. Press releases and press conferences
4. Event sponsorship

**Marketing Services or Outlets:**

1. Television
2. Radio
3. Billboards
4. Newspapers



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5. Magazines
6. Internet
7. Alternative Media

### Arizona Department of Economic Security

#### Mission:

The Arizona Department of Economic Security makes Arizona stronger by helping Arizonans reach their potential through temporary assistance for those in need, and care for the vulnerable.

#### Background:

The programs within DES place advertisements in order to reach the target group/particular area intended. The following is an illustrative list of vendors that DES has utilized in the past. New vendors may be required at any time depending on need.

#### Service Need:

1. Advertisements as indicated utilizing the following outlets:
  - a. AZ Daily Star, AZ Daily Sun, Arizona Informant, AZ Republic, CBS Outdoor, Copper Area News, Jobing.com, Job Examiner, Payson Roundup, Qwest Dex, Saguaro Gold, The Employment Network, Thompson Publishing, Tucson Newspaper

#### Marketing Services or Outlets:

1. Television
2. Radio
3. Newspapers
4. Magazines
5. Internet
6. Alternative Media

### Arizona Department of Juvenile Corrections

#### Mission:

The Arizona Department of Juvenile Corrections (ADJC) enhances public protection by changing the delinquent thinking and behaviors of juvenile offenders committed to the Department.

#### Background:

ADJC is responsible for all juveniles adjudicated as delinquent and committed to its jurisdiction by county juvenile courts. It is accountable to the citizens of Arizona for the promotion of public safety through the management of the States secure juvenile facilities and the development and provision of a continuum of service to juvenile offenders; including education, rehabilitation and treatment.

#### Marketing Services or Outlets:

1. Production
2. Media Services
3. Public Relations
4. Multicultural Focus Marketing

### Arizona Clean Elections Commission

#### Mission:

The mission of the Arizona Citizens Clean Elections Commission is to fairly, faithfully and fully implement and administer the Arizona Citizens Clean Elections Act.

#### Background:

The Citizens Clean Elections Act is a campaign finance reform measure that was initiated by Arizona citizens and passed by voters in 1998. The Act creates a campaign finance system that provides full public funding to qualified candidates who voluntarily agree to abide by contribution and spending limits. Additionally, the Act requires the Clean Elections Commission to provide public and voter education to the citizens of Arizona. The intent is to improve the integrity of Arizona state government and encourage citizen participation in the political process.



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**Service Need:**

Comprehensive, non-partisan, outreach and education program targeted to Arizona voters and prospective candidates. When necessary, in addition to general market, messaging should be tailored/appropriate for Hispanic and Native American populations.

Vendor should develop an in-depth knowledge of the Act and Commission's activities to actively participate in communication with public and media.

**Marketing Services or Outlets:**

1. Television
2. Radio
3. Print
4. Social
5. Digital (pre-roll, online ads, SEM, etc.)
6. Out of Home (billboards, theaters, etc.)
7. Non-traditional

### **Arizona Department of Health Services**

**Mission:**

The Mission of the Arizona Department of Health Services is to promote, protect and improve the health and wellness of communities and individuals in Arizona. Through our marketing and public education efforts, ADHS promotes tobacco prevention services thought the ASHLine, nutrition and physical activates though the Arizona Nutrition Network, access to healthy foods for pregnant women and children through the WIC program, and promotion of healthy lifestyles through a variety of public health promotions services.

**Background:**

The Arizona Department of Health has several federally funded public education campaigns that include funding from the United States Department of Agriculture, which funds nutrition education programs, and the Centers for Disease Control and Prevention, which funds programs that promote diabetes and HIV prevention and prevention for chronic disease and cancer. Other federal funding includes the Title V Block Grant that funds the Strong Families Arizona program, which is a statewide home visiting program that helps Arizona families be healthier. A public education program that promotes the Arizona Smokers Helpline, commonly called the ASHLine, is funded by the state tobacco tax. The ASHLine is a hotline that provides coaching and nicotine replacement therapy to people interested in quitting tobacco.

**Service Need:**

1. Formative research to develop targeted campaigns that reach specific audiences, such as lower income families and people interested in quitting smoking. (Arizona Nutrition Network, WIC Program, Tobacco Prevention Program including the ASHLine). The formative research is critical in developing evidence-based public education campaigns.
2. Development of creative concepts and assets that are specific to target audiences and reach the Arizona specific demographics.
3. Media buys and placement that help ADHS maximize budgets by reaching target audiences. For example, the pre diabetes education program targets healthcare providers to screen people at risk for developing diabetes and provides resources to help patients from developing the disease.
4. Analytics of marketing campaign performance that helps ADHS assess the effectiveness of messages. The analytics are critical in helping ADHS determine if the messages are resonating with the target audiences, and in making decisions on how to best allocate resources to maximize the effectiveness of the budgets.

**Marketing Services or Outlets:**

1. Television in all three broadcast markets in Arizona, and cable outlets to reach rural markets and target audiences
2. Statewide broadcast radio
3. Online radio such as Pandora and Spotify that use demographic information and geo targeting to reach target audiences.
4. Out of home including billboards and specialty locations such as physician's offices, grocery stores, and mall kiosks.
5. Online digital advertisements that use demographic information and geo targeting to reach target audiences, such as the Google ad network.



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6. Print advertising that reaches target audiences.

### Arizona Office of Tourism

**Mission:**

To strengthen and expand Arizona's economy through travel and tourism promotion.

**Background:**

The Arizona Office of Tourism has a robust program of work which includes global marketing efforts to encourage domestic and international visitation to our state. These destination marketing efforts inspire millions of people to visit Arizona, which kicks off a positive economic cycle of statewide visitor spending, job creation and tax revenue. The agency's goal is to positively promote Arizona's travel offerings on a global scale so all Arizonans can benefit from that valuable visitor dollar.

**Service Need:**

1. Digital – display, search, sponsored custom content, retargeting, pre-roll video/rich media, SoMe ads, PPC, mobile, SEO and analytics as part of our advertising campaigns. Monthly eNewsletters as part of our editorial calendars.
2. Print/Advertisorial – national and regional publication media placements as part of our advertising campaigns
3. Social Media – Facebook, Twitter, Instagram and Pinterest posting and monitoring and sweepstakes as part of advertising campaigns
4. Television – Cable and programmatic as part of our advertising campaigns
5. Events – Agency-wide marketing partnerships, promotional items, random acts of sunshine giveaways, sweepstakes
6. Activations – Out-of-Home - digital/static boards, train station/ferry boat takeovers with brand ambassadors, consumer trade shows, on-building video projections, movie theater and building elevator videos
7. Public Relations – media in support of advertising campaigns and activations.
8. Creative – Design of creative/copy for all campaigns and activations
9. Production – Production of all elements and deliverable as part of our advertising campaigns. Print, digital, video, copy, etc.
10. Website/campaign landing pages – maintenance and creation of new pages and content within the new site. Trouble-shooting site and CMS issues. SEO and SEM optimization, tracking and analytics.
11. Multicultural and/or International marketing activities

**Marketing Services or Outlets:**

1. General Marketing partner
2. Internet
3. Television
4. Radio
5. Publications

### Arizona Governor's Office of Highway Safety

**Mission:**

The Arizona Governor's Office of Highway Safety (GOHS), as the focal point for highway safety issues in Arizona, provides leadership by developing, promoting, and coordinating programs influencing public and private policy, and increasing public awareness of highway safety issues that include speeding, impaired driving, seat belt and child safety seats including motorcycle safety and distractions by drivers that cause traffic fatalities and injuries on our streets and highways. GOHS provides grant funding to law enforcement agencies, fire departments and non-profits around Arizona.

**Background:**

GOHS believes educational campaigns are an invaluable tool in reducing traffic fatalities, crashes, injuries and the number of impaired drivers and unbuckled motorists, etc., on Arizona's roadways.

**Service Need:**

GOHS has created several multi-media campaigns—as well as participates in national federal media campaigns—to educate the public about safer driving habits through the use of TV and radio, billboards, posters, and others promotional



## Exhibit A

**State of Arizona  
State Procurement Office  
100 N 15th Ave., Suite 201  
Phoenix, AZ 85007**

Contract No.: ADSPO17-145336

Description: Marketing - Statewide

materials, in both English and Spanish. Impaired driving, and seat belt (safe driving) campaigns have been the primary focus, but speeding, aggressive driving, and distracted drivers are also of concern to GOHS.

**Marketing Services or Outlets:**

1. Television
2. Radio
3. Newspapers
4. Magazines
5. Internet
6. Alternative Media

**LINKING AGREEMENT  
BETWEEN  
THE CITY OF GLENDALE, ARIZONA  
AND  
ON ADVERTISING, INC.**

**EXHIBIT B**  
Scope of Work

**PROJECT**

Contractor to provide services and materials on an as-needed basis for Marketing Services in the following categories:

General Marketing Partner  
Design Firm Services (Creative)  
Production Services  
Media Services  
Interactive Marketing Services  
Public Relations  
Multicultural Focus Marketing Partner

**LINKING AGREEMENT  
BETWEEN  
THE CITY OF GLENDALE, ARIZONA  
AND  
ON ADVERTISING, INC.**

**EXHIBIT C**

**METHOD AND AMOUNT OF COMPENSATION**

1,200,000 for the entire term of the Agreement

**NOT TO EXCEED AMOUNT**

The total amount of compensation paid to Contractor for full completion of all work required by the Project must not exceed \$1,200,000 (one million two-hundred thousand) for the entire term of the Agreement.

**DETAILED PROJECT COMPENSATION**

Per Section 4 of the City of Glendale Exhibit A and Services provided.