

ATTACHMENT 6 – Collections Scope

1. **Scope**

COUNSEL shall provide any necessary account collection services and legal representation to the CITY and/or to the CLIENT and any of its officers, employees or agents as agreed to by COUNSEL and the CITY. For each such matter, COUNSEL agrees to perform all necessary legal services, including but not limited to investigation, legal research, preparation of legal memoranda, pleadings and briefs, drafting and review of legal documents, providing legal advice and opinions, and making appearances before administrative tribunals and courts, in representing CLIENT. The legal services shall be carried out in cooperation with and under the supervision of the Finance Department of the City of Phoenix, in a manner consistent with COUNSEL'S ethical obligations to the CITY and/or to the CLIENT.

COUNSEL shall not undertake any representation of the CITY and/or CLIENT or perform any legal services for the CITY and/or CLIENT at the request of any CITY and/or CLIENT official or employee without first obtaining specific written authorization to do so from the City Attorney or his designee.

COUNSEL shall not file any action or enter any litigation on behalf of the CITY and/or CLIENT without first obtaining permission to do so from the City Attorney or his designee.

Before releasing any written legal opinion or statement affecting the CLIENT or CITY or any of their officers or employees, COUNSEL shall obtain the City Attorney's concurrence.

2. **Abatement of Collections Efforts**

COUNSEL shall return a referred matter to the Authorized Finance Department Representative: (i) if COUNSEL has been unable to collect the amount due or make acceptable payment arrangements with the party responsible for the account by June 30, 2023; or (ii) the account debtor files a petition for relief in bankruptcy; (iii) at the request of the CITY. If any matter referred to COUNSEL is affected by a petition for bankruptcy, COUNSEL shall immediately advise the Contact Attorney and return the file to the Authorized Finance Department Representative. COUNSEL will not receive any additional compensation for any matter returned to the CITY pursuant to this section.

Work performed by COUNSEL on matters that are not referred to COUNSEL as set forth in this AGREEMENT will be considered unauthorized and noncompensable. COUNSEL is to provide legal services to the CITY and/or CLIENT only through the Phoenix City Attorney's Office, and not independently of the Phoenix City Attorney's Office. COUNSEL shall report to the Phoenix City Attorney any effort made to engage the services of COUNSEL independently of the City Attorney's Office.

In situations where the CLIENT is not the CITY, COUNSEL acknowledges that the entity responsible for payment will be specified in the Letter of Engagement (LOE) and may be an entity other than the CITY. COUNSEL shall not accept

compensation from the CITY for representing CLIENT unless: (1) CLIENT gives informed consent; (2) there is no interference with COUNSEL's independence of professional judgment or with the client-lawyer relationship; and (3) confidential information relating to COUNSEL's representation of CLIENT is protected. Rule 42, RPC E.R. 1.8 (f) and 1.6, Az.R.Sup.Ct.

3. **Client Contact**

All decisions requiring the consent of CLIENT shall be brought by COUNSEL to the attention of the Finance Department Representative and/or the Contact Attorney, as appropriate. The Finance Department Representative and Contact Attorney will be identified in Letters of Engagement provided with referred matters and as referenced in the above paragraph.

4. **Staffing**

CITY and CLIENT reserve the right to designate a specific attorney(s) or paralegals in COUNSEL'S firm to work on specific matters with input from the managing partner of COUNSEL'S Phoenix office. COUNSEL shall employ suitably trained and skilled professional personnel to perform the account collection and legal services. Prior to changing any key personnel, especially those key personnel who the CITY relied upon in making this AGREEMENT, COUNSEL shall obtain the approval of the Contact Attorney. All staffing decisions shall be discussed and agreed upon with the CITY and, if applicable, with CLIENT in advance.

5. **Materials and Investigative Services**

CITY and/or CLIENT will furnish COUNSEL all investigative and other materials the CITY and/or CLIENT has relative to the legal services to be provided by COUNSEL and will conduct such additional investigation as COUNSEL shall reasonably request.

6. **Compensation**

COUNSEL will be paid for services under this AGREEMENT as set forth below which are in line with industry standards. Compensation rates shall apply for the term of this AGREEMENT and shall not be renegotiated during the term of this AGREEMENT.

- a. COUNSEL'S compensation for services under this AGREEMENT shall not exceed 25% of the collected account balance for matters prior to the commencement of a formal legal proceedings. CITY will be entitled to recover 100% of costs it paid in the collection of the debt, before payment of COUNSEL's fee.
- b. COUNSEL's compensation for services under this AGREEMENT shall not exceed 33.33% of the collected account balance for matters after the commencement of formal legal proceedings. CITY will be entitled to recover 100% of costs it paid in the collection of the debt, before payment of COUNSEL's fee.

- c. COUNSEL's compensation for services under this AGREEMENT for partial payments, payment plans, or settlements shall be 33.33% per payment after payment of expenses to CITY to ensure that CITY's costs are reimbursed first.
- d. COUNSEL'S compensation for services under this AGREEMENT shall be paid to COUNSEL on a monthly basis for Reimbursable Expenses in accordance with Exhibit A. Compensation shall be paid to COUNSEL on a monthly basis for referred accounts directly recovered by City in the prior month when such recovery includes full payment of CITY's portion plus additional amounts COUNSEL is entitled to. COUNSEL is responsible for recovering remaining amounts from DEBTOR, not CITY.
- e. For all accounts placed with COUNSEL, the Debtor will be held responsible for paying the COUNSEL contingency fees for collection services rendered, including payments the CITY receives directly from Debtor. The COUNSEL will add their fee percentage, as awarded by this contract, onto the original debt amount placed with them for collection from the CITY (except for all Fire Department, Emergency Transportation accounts). Upon recovery of the debt amounts, whether full or partial payments, the COUNSEL will remit the CITY's portion of the payment back to the City. The COUNSEL fees will be kept by COUNSEL without being remitted to the CITY (except for all Fire Department, Emergency Transportation accounts). COUNSEL'S reimbursable fees are not subject to recovery from the debtor but shall be handled in the manner described herein between CITY and COUNSEL. In no event shall COUNSEL recover from debtor an amount greater than its contingency fee applied to the referred account balance.
- f. COUNSEL is required to use CITY's Excel formulas to calculate their contingency fee percentage and corollary payment.
- g. A monthly statement must include the amount collected for the CITY as well as the detailed breakdown of the COUNSEL's fee percentage collected from the debtor. Such payment shall be directed to the Finance Department Representative and shall include a detailed invoice and back up documentation showing the account name, number or reference, the proceeds recovered, costs aid by the CITY to collect such proceeds, costs reimbursed to the CITY, the net proceeds and COUNSEL's compensation.
- h. Fire Department, Emergency Transportation accounts whether full or partial payment, the COUNSEL will remit 100% of the amount collected back to the CITY without charging the debtor the COUNSEL fee percentage. The fee percentage will be reimbursed to the COUNSEL after the CITY is invoiced at month end. The monthly invoice must include the amount collected for the CITY as well as the detailed breakdown of the COUNSEL's fee percentage. This invoice shall be separately reported from collections of other accounts.
- i. COUNSEL'S compensation for services under this Agreement shall include all court ordered compensation (i.e., commission) fees. The CITY

shall remit such fees to COUNSEL in accordance with Section 6(g).

Compensation payment exceptions. No remuneration will be paid in the following circumstances:

1. All direct account payments from government recovery program for account balances are not subject to payment. These programs include the set off of income and transaction privilege tax refunds from the Arizona Department of Revenue, amounts directly paid to CITY from statutorily liens, pay warrants of CITY employees/contractors.
2. All accounts referred to COUNSEL and debtor pays CITY directly prior to first contact.
3. All accounts referred to COUNSEL and subsequently returned/closed to the CITY.
4. All open referral accounts COUNSEL possesses at the expiration of this Agreement will revert back to the CITY in the instance COUNSEL fails to renew the contract, unless otherwise agreed to by the CITY.

7. **Counterclaims and Crossclaims**

In the event CITY is served or threatened with a counterclaim or crossclaim in connection with any matter referred to COUNSEL, COUNSEL shall immediately advise the Contact Attorney and the Authorized Finance Department Representative of the nature of the counterclaim or crossclaim. CITY may issue a separate agreement and LOE for COUNSEL to represent CITY on such counterclaim or crossclaim.

8. **Judgments – No Renewal of Judgments**

(Left intentionally blank)

9. **Reimbursement for Expenses**

Except filing fees, if any, and service of process fees, COUNSEL may deduct any unpaid Reimbursable Expenses (hereinafter defined) from proceeds recovered. (See No. 11 Restriction on Reimbursement/Recoveries) before remitting any funds to CITY and will itemize the same with its remittance of collected amounts. For filing fees, if any, and service of process fees, COUNSEL will send to the CITY an invoice itemizing the cost to be paid by the CITY. COUNSEL shall include the documentation supporting the invoiced amount. Any Reimbursable Expenses paid by the CITY shall be first repaid to the CITY from any proceeds recovered in the matter. All expenses shall be billed at COUNSEL's actual out-of-pocket cost without any mark-up. COUNSEL will be reimbursed for approved expenditures where the expense is itemized in the invoice and COUNSEL provides the documentation supporting the invoiced amount.

CITY does not request COUNSEL attempt service of process within the State more than five (5) separate dates. Expenses to serve debtor subsequently must be approved by CITY. Any out-of-state service of process expenses must be approved in advance by CITY.

10. **Accounting and Auditing**

COUNSEL agrees that the CITY and/or CLIENT or their duly authorized representatives shall have access to and the right to examine any books, documents, papers, records and other evidence reflecting all time charges, compensation and costs billed under this AGREEMENT. The materials described herein shall be made available at the office of COUNSEL at any reasonable time for inspection, audit, or reproduction until the expiration of three (3) years from the date of final payment under this AGREEMENT.

COUNSEL is prohibited from transmitting, or assisting in the transmission of, any billing information generated by COUNSEL under this AGREEMENT to any person or organization other than the CITY and/or CLIENT without the express written consent of the City Attorney.

11. **Restrictions on Reimbursements**

Unless otherwise agreed to by the Finance Department Representative and Contact Attorney:

- Reimbursement for expenses is limited to those specific reimbursable expenses listed in Exhibit A and entitled "Reimbursable Expenses".
- COUNSEL will not be reimbursed for any single expense greater than ONE THOUSAND DOLLARS (\$1,000) unless prior approval has been obtained.
- Travel expenditures of COUNSEL within Maricopa County will not be reimbursed. Mileage and parking will not be reimbursed.
- Airfare will be reimbursed at coach fare rates. Hotel accommodations will be reimbursed at commercial rates for non-resort facilities.
- COUNSEL and CITY agree to negotiate payment arrangements for any required expert witnesses in good faith, with the understanding that neither COUNSEL nor CITY normally pay these fees up front. Experts or consultants will be retained by COUNSEL on behalf of the CITY or CLIENT only after consultation with, and the approval of the Finance Department Representative and Contact Attorney. Unless otherwise agreed ahead of time, COUNSEL is expected to pay the consultant for services provided and then submit an invoice for reimbursement.
- All experts and consultants shall be required to submit an invoice like the format for outside counsel prior to payment, including the need to itemize expenses and attach the supporting documentation.
- No contract or subcontract shall be entered into by COUNSEL with any other person to furnish any work or services under this AGREEMENT without the prior approval of the Authorized Finance Department Representative and Contact Attorney.
- The application of payments from government recovery program that were

filed before account referred to COUNSEL are not subject to contingency %, ex. Arizona Department of Revenue debt set-off, any liens, pay warrants.

- If an account has been referred to COUNSEL and prior to first contact therefrom, debtor pay City directly, such payment not subject to contingency % or hourly rate.
- If an account is returned/closed by COUNSEL, no contingency % will be paid if City is contacted by Debtor after 6 months thereof.

12. **Fiscal Year**

CITY'S fiscal year begins July 1 and ends June 30 of each calendar year. CITY may only make payment for services rendered or costs encumbered during a fiscal year and for a period of 60 days immediately following the close of the fiscal year. Billings for services performed or costs incurred prior to the close of a fiscal year must be submitted within ample time to allow payment within this 60-day period.

13. **Conflict of Interest**

COUNSEL is retained by the CITY to represent the CITY and/or CLIENT only for the purposes and to the extent set forth in this AGREEMENT and the LOE. COUNSEL shall be free to dispose of such portion of COUNSEL'S entire time, energy, and skill as are not required to be devoted to the CITY and/or CLIENT in such a manner as COUNSEL sees fit and to such persons, firms or corporations as COUNSEL deems advisable, but shall not engage in any representation of any nature, including legislative or administrative lobbying, which could be adverse to CLIENT or the CITY at the same time COUNSEL is representing the CLIENT or the CITY pursuant to this AGREEMENT. If such representation presents an ethical conflict of interest, and if a waiver is permitted, a waiver of such conflict must first be obtained prior to undertaking such representation. COUNSEL agrees to have established policies and procedures to avoid conflicts of interest and to protect the attorney-client privilege. COUNSEL will immediately bring all situations involving adverse representation, and all conflicts and potential conflicts to the attention of CLIENT and the CITY. These would include situations that may be subject to the Rules of Professional Conduct as well as those situations where COUNSEL would otherwise be expected to identify CLIENT or the CITY as a party, a potential party, or as a non-party at fault. COUNSEL hereby represents and affirms that there is no known conflict of interest existing between a client and potential client of COUNSEL and CLIENT or the CITY because of this AGREEMENT. Before COUNSEL may undertake to represent parties in matters that may arise after execution of this AGREEMENT, which may present issues adverse to CLIENT or CITY, COUNSEL will present the facts and circumstances of the matter to the CLIENT or the CITY and request a waiver of any ethical conflict of interest. It is further understood that any conflict of interest which may arise as a result of COUNSEL'S representation of parties adverse to the CLIENT or the CITY is not waivable unless expressly so stated in writing by CLIENT and the CITY after full disclosure of the nature and extent of the conflict.

14. **Status Reports and Assessment of Exposure and Potential for Recovery**

COUNSEL shall keep the Authorized Finance Department Representative fully and currently informed about the status of all matters and the import of that status. As soon as practical after receipt of any referral, and in civil cases governed by Rule 26.1, Arizona Rules of Civil Procedure, as soon as disclosure statements are exchanged, COUNSEL shall furnish CLIENT and the CITY an evaluation of the merits of the disputed matter and COUNSEL'S assessment of the monetary exposure or potential recovery, if any, to CLIENT and/or the CITY, along with appropriate recommendations. Thereafter, status reports shall be furnished by COUNSEL on a monthly or quarterly basis as directed by the Authorized Finance Department Representative. Status reports should be addressed to the Authorized Finance Department Representative and Contact Attorney and should briefly outline the status of the case or matter, emphasizing significant developments, depositions and discovery, and settlement proposals. COUNSEL shall promptly notify CLIENT and the CITY of events significantly affecting exposure and recovery.

COUNSEL shall e-mail encrypted status reports. COUNSEL is encouraged to format all native documents in Microsoft Word© and to scan significant third-party documents into a *.pdf Adobe Acrobat© format and e-mail them as an attachment to a status report. A status report should precede any scheduled meeting where a comprehensive analysis of the case or matter may be expected.

Any significant document that is not routine, or that is to be provided to third parties, including the court or administrative agencies, shall be sent to the Authorized Finance Department Representative and contact attorney with enough time so that the CITY may have a meaningful review of it prior to distribution. All final copies of documents and memoranda for which the CITY is charged shall be sent to the Authorized Finance Department Representative.

15. **Retention of Records**

COUNSEL shall retain all records in accordance with the City's Records Retention Schedule attached hereto as Exhibit B and incorporated herein by reference. Records do not have to be stored in paper form but must be capable of reproduction on paper upon request.

16. **Offers of Compromise and Settlement**

COUNSEL must consider the possibility of resolving disputes through both traditional and nontraditional methods of alternative dispute resolution.

All offers of compromise shall be promptly transmitted to Authorized Finance Department Representative and the CITY through the Client Representative and Contact Attorney together with COUNSEL'S recommendations. CITY and/or CLIENT will be responsible for obtaining proper authority to accept a compromise or for obtaining authority to make a counteroffer. COUNSEL may be required to attend meetings to adequately explain the status of a matter before a regulatory body or in litigation.

COUNSEL must obtain SETTLEMENT AUTHORITY for each case. The CITY may provide settlement templates in the event the parties agree. EACH CASE. CITY

WILL PROVIDE SETTLEMENT TEMPLATES BASED ON SINGLE OR MULTIPLE PAYMENTS. CITY WILL INFORM COUNSEL OF ANY STANDARD SETTLEMENT TERMS (INCLUDING REJECTION TERMS) THAT APPLY TO the TYPE OF ACCOUNT REFERRED.

17. **Notice**

Any notice, consent, or other communication (“Notice”) required or permitted under this Agreement will be in writing and either delivered in person, sent by e-mail or facsimile transmission, deposited in the United States mail, postage prepaid, registered or certified mail, return receipt requested, or deposited with any commercial air courier or express service addressed to the Authorized Finance Department Representative or Contact Attorney as appropriate.

18. **Withdrawal of Counsel**

COUNSEL must request to withdraw from representation of CLIENT or the CITY, or any department, officer, agent, or employee thereof, when it would be ethically improper to continue the representation. In the event COUNSEL requests to withdraw, the request must be in writing to the City Attorney setting forth in detail the reasons COUNSEL must withdraw.

19. **Special Counsel Designation**

It is expressly understood and agreed that COUNSEL is appointed as SPECIAL COUNSEL to the City Attorney for the purposes of carrying out the provisions of this AGREEMENT. However, COUNSEL agrees to act as co-counsel with the City Attorney in those matters where the City Attorney determines that it is advisable to do so.

20. **Appeals**

No appeals or special actions will be filed without the prior written approval of the CITY or CLIENT, acting through the City Attorney.

21. **Confidentiality and Data Security**

(refer to Section 6, Special Terms and Conditions)

22. **Media Relations**

COUNSEL is not authorized by the CITY or CLIENT to comment publicly on CLIENT or CITY matters. All media inquiries should be directed to the Contact Attorney.

23. **Records Retention/Return**

At the conclusion of the matter, COUNSEL will notify the Authorized Finance Department Representative and Contact Attorney that the matter is closed and prepare the file for shipment as set forth in Exhibit C.

24. **Non-Exclusive**

CITY and/or CLIENT shall have the right to execute other contracts in connection with work under this AGREEMENT and COUNSEL shall cooperate with any other contractor.

25. **Compliance with Laws and Regulations**

COUNSEL shall comply with all applicable federal and state statutes, City ordinances, executive orders, and regulations. COUNSEL agrees to comply with all legal requirements relating to civil rights and non-discrimination in employment.

COUNSEL understands and acknowledges the applicability to COUNSEL of the Immigration Reform and Control Act of 1986 (IRCA). COUNSEL agrees to comply with the IRCA in performing under this AGREEMENT and to permit CITY inspection of personnel records to verify such compliance.

26. **Legal Worker Requirements**

CITY is prohibited by A.R.S. § 41-4401 from awarding an agreement to any contractor who fails, or whose subcontractors fail, to comply with A.R.S. § 23-214(A). Therefore, COUNSEL agrees that:

COUNSEL and each subcontractor warrant their compliance with all federal immigration laws and regulations that relate to their employees and their compliance with § 23-214, subsection A.

A breach of warranty under this Section, paragraph 1 shall be deemed a material breach of the Agreement and is subject to penalties up to and including termination of the Agreement.

CITY retains the legal right to inspect the papers of COUNSEL or subcontractor employee(s) who work(s) under this Agreement to ensure that COUNSEL or subcontractor is complying with the warranty under this Section, paragraph 1.

27. **Contractor and Subcontractor Worker Background Screening**

(refer to Section 6, Special Terms and Conditions)

28. **Waiver**

The failure of the CITY and/or CLIENT at any time to require performance of any provision of this AGREEMENT shall in no way affect the right of CITY and/or CLIENT thereafter to enforce such provision. Nor shall the waiver of any succeeding breach of such provision act as a waiver of the provision itself.

29. **Termination**

CITY and/or CLIENT shall have the right to terminate this AGREEMENT in whole or in part at any time and without penalty or further obligation. COUNSEL shall be paid at a rate equal to the agreed compensation for requested legal services rendered

(\$0.00 if nothing is recovered) and reimbursed for authorized expenses actually incurred in rendering such services, as of the date of such termination and if payment is made by the CITY, after approval of payment is obtained from the City Council. Such payment for Services already completed shall be the total compensation due to COUNSEL for Termination. COUNSEL shall deliver to the Authorized Finance Department Representative a complete set of all materials, information and data required or prepared by COUNSEL as of the date of termination. All such materials, information, and data shall be the property of the CITY and shall be delivered to the Authorized Finance Department Representative at the termination or completion of services or in no event later than 45 days from the date of termination. A list of any ongoing payment plans entered by COUNSEL shall be provided as soon as possible.

30. **Specific Performance**

COUNSEL agrees in the event of a breach by COUNSEL of any material provision of this AGREEMENT, CITY shall, in addition to any other remedy provided by law and upon proper action instituted by it, be entitled to a decree of specific performance thereof according to the terms of this AGREEMENT. In the event CITY and/or CLIENT shall elect to treat any such breach on the part of COUNSEL as a discharge of the AGREEMENT, CITY and/or CLIENT may nevertheless maintain an action to recover damages arising out of such breach.

31. **Insurance Requirements**

(refer to Section 8, Insurance Requirements)

32. **Indemnification Clause**

(refer to Section 7, Defense Indemnification)

33. **Advertising and Promotion**

The name of the City of Phoenix and, if applicable, of CLIENT shall not be used in any advertising or other promotional context by COUNSEL without prior written approval of the City Attorney.

34. **Non-Assignability**

This Agreement is a personal services agreement and COUNSEL shall have no power to assign its rights and obligations under this AGREEMENT without the prior written consent of the CITY and, if applicable, of CLIENT. Any attempt to assign without such prior written consent shall be void.

An essential consideration provided to the CITY and/or CLIENT by COUNSEL to induce the CITY and/or CLIENT to enter into the AGREEMENT is the ability of the CITY and/or CLIENT to control the actual assignment of work to COUNSEL's principal attorneys. Therefore, should such a principal attorney sever their relationship with COUNSEL, or otherwise be unavailable to carry out COUNSEL's

duties under this AGREEMENT for an extended period of time, which period shall be determined at the sole discretion of the CITY and/or CLIENT, then the CITY and/or CLIENT may, without notice, immediately terminate this AGREEMENT for cause.

35. **Entire Agreement**

It is expressly agreed that this written AGREEMENT embodies the entire AGREEMENT of the parties in relation to the subject matter, and that no understanding or agreements, verbal or otherwise, in relation thereto, exist between the parties, except as herein expressly set forth. To the extent there is any conflict between the terms of this AGREEMENT and any LOE entered between COUNSEL and the CITY and/or CLIENT, the LOE shall be controlling.

36. **Governing Laws**

It is the expressed intention of the parties thereto that this AGREEMENT and all terms hereof shall be in conformity with and governed by the laws of the City of Phoenix and the State of Arizona, both as to interpretation and performance. Any action to enforce or interpret this AGREEMENT shall be brought only in a court located in Maricopa County, Arizona.

37. **Independent Contractor**

The parties agree that Counsel is providing the Services under this Agreement on a part-time and/or temporary basis and that the relationship created by this Agreement is that of independent contractors. Neither Counsel nor any of Counsel's agents, employees or helpers shall be deemed to be the employee, agent, or servant of the City. The City is only interested in the results obtained under this Agreement; the manner, means and mode of completing the same are under the sole control of Counsel.

This Agreement is not intended to constitute, create, give rise to, or otherwise recognize a joint venture, partnership or formal business association or organization of any kind, and the rights and obligations of the parties shall be only those expressly set forth in this Agreement. The parties agree that no individual performing under this Agreement on behalf of Counsel will be considered a City employee, and that no rights of City Civil Service, City retirement or City personnel rules shall accrue to such individual. Counsel shall have total responsibility for all salaries, wages, bonuses, retirement, withholdings, worker's compensation, other employee benefits, and all taxes and premiums appurtenant thereto concerning such individuals and shall save and hold harmless the City with respect thereto.

38. **Cancellation**

This AGREEMENT is subject to cancellation by the CITY pursuant to Arizona Revised Statutes Annotated § 38-511.

39. **Electronic Communication**

CITY expects COUNSEL to provide a specific electronic mail address, accessible from or through the Internet that will allow direct communication between CITY and/or CLIENT and the attorney assigned to provide legal services for a particular matter.

40. **Third-Party Beneficiaries**

This AGREEMENT and all services provided by COUNSEL are intended to benefit the corporate and municipal interests of the CITY and/or CLIENT alone, and no other person shall claim any implied right, benefit or interest in such services.

41. **Term**

(refer to Section 3, Scope of Work)

42. **Equal Employment Opportunity Requirement**

In order to do business with the City, Counsel must comply with Phoenix City Code, 1969, Chapter 18, Article V, as amended, Equal Employment Opportunity Requirements. Counsel will direct any questions regarding these requirements to the Equal Opportunity Department, (602) 262-6790.

EXHIBIT A -- REIMBURSABLE EXPENSES

Expense Code Set

E100 Expenses -detailed description must be included when using this code, prior approval if exceeds \$1,000.00

E101 Copying @ \$0.15/page

E102 Outside printing

E107 Delivery services/messengers

E109 Local travel (outside of Maricopa County)

E110 Out-of-town travel

E112 Court fees

E113 Subpoena fees

E114 Witness fees

E115 Deposition transcripts

E116 Trial transcripts

E117 Trial exhibits

E118 Litigation support vendors

E119 Experts

E120 Private investigators

E121 Arbitrators/mediators

E122 Local counsel

E123 Other professionals

E124 Other

American Bar Association, Expense Codes,

http://www.abanet.org/litigation/utbms/utbms_counseling_expensecode.html

EXHIBIT B**RECORDS RETENTION SCHEDULE**CITY CLERK DEPARTMENT
RECORDS MANAGEMENT DIVISIONDepartment: CITYWIDE RECORDS
Division:

| ITEM NO. | NAME OF RECORD (SERIES) | RETENTION PD. IN YRS. | | | DISP INST | REMARKS |
|----------|---|-----------------------|----------|-------|-----------|---|
| | | Active | Inactive | Total | | |
| 1. | Accounts Payable Claim Records, Payment Control Documents, Invoices, Receipts, Receiving Reports, Vouchers Payable and All Supporting Documents | 10 | – | 10 | X | (Prime Copy – Finance/Accounts Payable) |
| 2. | Accounts Receivable Records | 6 | – | 6 | X | (Prime Copy – Finance/Accounts) |
| 3. | Banking Records (Void or Returned Checks, Deposits, Reconciliations, Statements, Stubs, etc.) | 5 | – | 5 | X | (Prime Copy – Individual Depts.) |
| 4. | Cash Receipts | 5 | – | 5 | X | (Prime Copy – Individual Depts.) |
| 5. | Claim Files, Liability and Recovery Claims | 5 | – | 5 | X | After settlement or after maturity of claim if minor (Prime Copy – Finance/Risk Management) |
| 6. | Contracts, Leases and Agreements | 6 | – | 6 | X | After expiration (Prime Copy – City Clerk) |
| 7. | Correspondence, General | 2 | – | 2 | X | (Prime Copy – Individual Depts.) |
| 8. | Credit Card Receipts | 2 | – | 2 | X | After transaction completed (Prime Copy – Individual Depts.) |
| 9. | Electronic Mail | 1 mo | – | 1 mo | X | (Prime Copy – individual Depts.) |
| 10. | Finance Department Letters | – | – | – | X | After reference value served (Prime Copy – Finance/Administration) |
| 11. | Journal Entries | 5 | – | 5 | X | After fiscal year created (Prime Copy – Individual Depts.) |
| 12. | Non-City Cash Fund Receipts | 3 | – | 3 | X | (Prime Copy – City Clerk) |
| 13. | Payroll Register | 21 | – | 21 | X | (Prime Copy – Finance/Accounts) |
| 14. | Petty Cash | 3 | – | 3 | X | (Prime Copy – Individual Depts.) |
| 15. | Purchase Requisitions | 5 | – | 5 | X | (Prime Copy – Finance/Purchasing) |
| 16. | Transitory Materials (Letters of Transmittal, Informational Bulletins, Correspondence of Limited Value) | 3 mo | – | 3mo | X | (Prime Copy – Individual Depts.) |
| 17. | Unsuccessful Bids – Professional Services | 1 | – | 1 | X | (Prime Copy – Individual Depts.) |
| 18. | Work Orders/Activity Allocations | 5 | – | 5 | X | (Prime Copy – Individual Depts.) |
| 19. | Work Order Timecards | 3 | – | 3 | X | (Prime Copy – Individual Depts.) |
| 20. | Work Reports (Daily Reports, Weekly Reports, Reports of Limited Value) | 1 mo | – | 1 mo | | (Prime Copy – Individual Depts.) |

EXHIBIT C – FILE HANDLING UPON COMPLETION

**CITY OF PHOENIX
OUTSIDE COUNSEL
RETENTION/RETURN PROCEDURES**

GOVERNING STATUTE:

Within 60 days of the conclusion of the matter for which services were retained, and to further the purposes of ARS § 41-1346, COUNSEL will follow the procedures listed below.

CITY REQUIREMENTS:

A. City Contact – Counsel will contact the Law Department to obtain the following information

- Year and box number
- Review of Excel Index
- Month and year to be destroyed
- Completed transmittal form

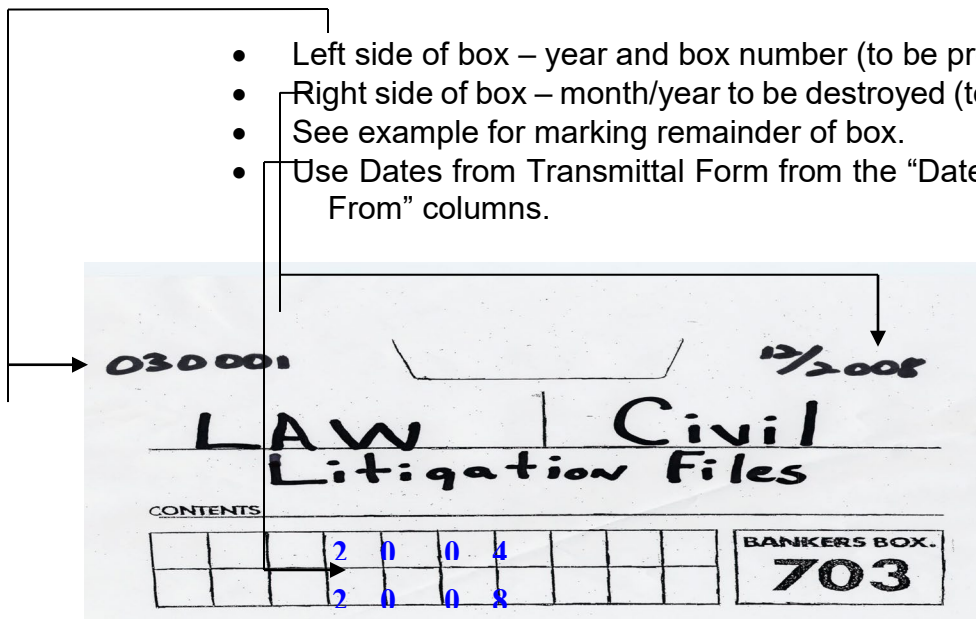
Note: Contact will be secretary for the attorney you have been working with on the cases you are archiving

B. Boxes - Contents

- Items must be boxed in bankers' boxes (#703 boxes preferred).
- Box size must be 10”H x 12” W x 15” D.
- All files should face the same direction/forward.
- No hanging files, notebooks, binder clips or binders in boxes.
- Highlight box number on paperwork before placing paperwork in boxes.
- Not necessary to seal the boxes, as they will be examined at Records Center.

C. Boxes – Outside labeling (See example below)

- Left side of box – year and box number (to be provided by City).
- Right side of box – month/year to be destroyed (to be provided by City).
- See example for marking remainder of box.
- Use Dates from Transmittal Form from the “Date of Records – To and From” columns.



D. Archive Index and Transmittal Forms (See examples below)

- City of Phoenix will forward blank index in Excel Format to Law Firm
- Law firm completes and returns an electronic copy of the index containing contents of each box being sent to the City.

| BOX NO. | DATE ARCHIVED | YEARS TO RETAIN | ATTORNEY NAME (DO NOT ABBREVIATE) | TYPE OF CASE | CASE NO. | NAME OF CASE (DESCRIPTION OF BOX CONTENTS) |
|---------|---------------|-----------------|-----------------------------------|--------------|-------------|---|
| 06-2222 | 05/07/06 | 5 | Smith & Doe LLC John H. Doe | Litigation | CV2005-5555 | Mary Lawsuit v. Bad Company, et al., pleadings, depositions, correspondence, attorney notes, legal research, trial exhibits, etc. |

- City will fax approved "Records Transmittal Form" to law firm to be placed inside box along with index of box contents.

RECORDS CENTER TRANSMITTAL FORM
(SEE INSTRUCTIONS ON BACK)

Phoenix, Arizona
City Clerk Department
Records Management Division
262-6811

Records Center
1101 East Jefferson
261-8648

1. Department Law
Division Civil
Section Litigation

2. Preparer Smith & Doe Telephone 262-6761

3. Date 5/2/03

4. Alphabetic Numeric Chronological

| 5 Box Number | 6 CENTER USE ONLY | | 7 RECORD NAME (As listed in Records Retention Schedule) | 8 Confidential | | 9 Retention Schedule | | 10 Micro-filmed | | 11 Date of Records | | 12 Ret. in Years | 13 Destroy Date |
|-----------------|----------------------|----------|---|-------------------|----|-------------------------|------|--------------------|----|-----------------------|------|---------------------|--------------------|
| | Shelf | Location | | Yes | No | Page | Item | Yes | No | From | To | | |
| 030001 | | | Litigation Files | | X | D96 | 3 | | X | 1999 | 2003 | 5 | 5/08 |
| | | | | | | | | | | | | | |
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14. Comment: _____

15. Records Control Officer Approval: _____ Phone No. _____ 16. Records Shipment Received by: _____ Date: _____
CALL RECORDS CENTER TO SCHEDULE SHIPMENT

White (or xerox) – Place in each box.
Yellow – Send to Records Center with shipment.
Pink – Retain for agency control file – Records Center will phone back location.

ONLY ONE BOX NUMBER PER LINE. NO DUPLICATE BOX NUMBERS. USE ONLY NUMBER 703 STORAGE BOXES.

22-60 Rev. 8/97

[Date of Records](#)

E. Records Center

- When boxes are completed **law firm will contact the Records Center at 602-261-8648 to arrange a date to have boxes delivered.** (Records Center is located at 2640 South 22nd Avenue, Phoenix.)

Please contact the City Attorney's Office, Gloria Torres at 602-534-1109, with any questions you may have regarding these procedures.