

STATE OF TEXAS     §  
                                  §  
COUNTY OF TRAVIS   §

**TREATMENT PLAN SERVICES  
CONTRACT CON0000957**

This contract is effective **upon final signature**, and is by and between the **Texas Juvenile Justice Department**, hereinafter **TJJD**, and **Marti Smith, dba Marti Smith Seminars, Inc., 1905 Tosca Cove, Cedar Park, TX 78613**, hereinafter **Service Provider**, for the purpose of providing individual treatment plan services for TJJD youth. This contract is identified as **CON0000957** and will expire on **August 31, 2020**.

This contract is entered into under the authority of Texas Government Code Section 2155.143 and Texas Human Resources Code, Title 12, Chapters 242 and 244, for the mutual considerations described in this contract.

**I. SERVICE PROVIDER**

Service Provider agrees to the following:

1. Provide treatment services to referred TJJD youth through assisting in the development of their individual treatment plans with TJJD staff that incorporate somatosensory-based treatment planning with emphasis on Trust-Based Relational Intervention and Neurosequential Models of treatment.
2. Provide services through phone/video conferencing.
3. Maintain current licensing as an occupational therapist throughout the term of this contract.
4. Submit invoices to TJJD Central Office for payment of services no later than the 10<sup>th</sup> day of the month for services that were rendered in the prior month. Please e-mail invoices to [tjldinvoice@tjld.texas.gov](mailto:tjldinvoice@tjld.texas.gov).
5. Notify the Director of Business Operations and Contracts in writing of all revenue sources and reimbursements from third parties for any and all costs or services associated exclusively with a youth served under this contract. Billing more than one revenue source for the same costs or services provided a single youth is prohibited and shall be recouped or administrative error sanctions shall be imposed as set forth herein. Neither a youth nor his/her parent(s) or guardian(s) will be required to pay for the support of the youth in the program, unless otherwise ordered.
6. Maintain all financial records in accordance with generally accepted accounting principles.
7. Maintain and retain records for a minimum of seven (7) years after the termination of the contract period, or for seven (7) years after the end of the federal fiscal year in which services were provided, whichever is longer.\* If any litigation, claims, disputes, or audits involving these records begins before the seven (7) year period expires, Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TJJD and Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments. \*Retention requirements for treatment and education records will be 18 years of age plus 10 years unless otherwise mandated by licensing requirements.

8. Disclose in writing to the Director of Business Operations and Contracts any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.
  - a. A related party always includes a family member by blood or marriage (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition, a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.
  - b. Service Provider must report to TJJJ any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.
  - c. Any violation of this section can be considered a breach of contract and could result in administrative error sanctions or contract termination.
9. Cooperate with or testify in judicial proceedings, legislative and administrative hearings, or investigations, at the request of TJJJ.
10. Notify TJJJ if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide or obtain TJJJ protected health information.

## II. TJJJ

For and in consideration of the services to be provided by Service Provider to TJJJ youth, TJJJ shall:

1. Refer appropriate TJJJ youth for Service Provider's individual treatment plan services.
2. Pay Service Provider **\$100.00** per hour for each phone/video conferencing session. The not to exceed amount of this contract is **four thousand dollars and zero cents (\$4,000.00)**.
3. Ensure that payment is made in accordance with Chapter 2251 of the Texas Government Code and Texas Government Code Section 403.0551 that payment owing to Service Provider under this contract will be applied toward elimination of Service Provider's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Texas Comptroller administers or collects until the indebtedness or delinquency is paid in full.

## III. CERTIFICATIONS

### **Article 1: Equal Opportunity**

Service Provider certifies compliance with all terms, provisions, and requirements of Titles VI and VII, Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and any other federal, state, local, or other anti-discriminatory act, law, statute, or regulation, along with all amendments and revisions of the acts, laws, statutes, or regulations, in the performance of this contract, and will not discriminate against any child or youth, client, employee, or applicant for employment because of race, creed, religion, age, sex, color, national or ethnic origin, handicap, or any other illegal discriminatory basis or criteria.

### **Article 2: Unfair Business Practices**

Service Provider certifies that neither it nor its officers have been found guilty in a judicial or state administrative agency proceeding of unfair business practices as set out in the Texas Business and

Commerce Code and that no officer of Service Provider has served as an officer of another company which has been found guilty in a judicial or state administrative agency proceeding of unfair business practices. If the above certifications are false, this contract is void.

### **Article 3: Franchise Taxes**

**Section 1:** Service Provider certifies that should Service Provider be subject to payment of Texas franchise taxes, all franchise taxes are current. If such certification is false, this contract may be terminated at the option of TJJD or other administrative error sanctions may be taken.

**Section 2:** If Service Provider is exempt from payment of Texas franchise taxes, Service Provider shall so indicate by attachment to this contract.

**Section 3:** If Service Provider's payment of Texas franchise taxes becomes delinquent during the term of this contract, Service Provider will notify TJJD within 24 hours. If such delinquency cannot be cured within 24 hours and a copy of the Certification of Account Status proving payment of delinquent taxes cannot be provided to TJJD, this contract may be terminated at the option of TJJD or other administrative error sanctions may be taken under the provisions of this contract.

### **Article 4: Asbestos Regulation Compliance**

If applicable, Service Provider certifies compliance with the Asbestos Hazard Emergency Response Act of 1986 (AHERA) by having on file with the Texas Department of State Health Services (DSHS) a copy of Service Provider's AHERA Management Plan for each facility Service Provider owns, leases, or otherwise uses as a school or is part of a school, grades kindergarten through 12. Prior to the initiation of services under this contract, Service Provider shall provide TJJD a certification of an asbestos-free environment or a copy of the DSHS acceptance and approval for Service Provider's AHERA Asbestos Management Plan(s) (Management Plan(s)). Service Provider shall comply with the approved Management Plan during the term of this contract and any renewals; failure to do so shall be grounds for termination of this contract. Should DSHS approve a revised or modified Management Plan, a copy of the DSHS acceptance and approval of the revised or modified Management Plan shall be furnished to TJJD.

### **Article 5: Human Immunodeficiency Virus Services Act Compliance**

**Section 1:** Service Provider certifies compliance with the Human Immunodeficiency Virus Services Act (Texas Health and Safety Code Chapter 85) requirements for maintenance of confidentiality regarding the human immunodeficiency virus (HIV) and its related conditions, including acquired immune deficiency syndrome (AIDS).

**Section 2:** Service Provider further certifies that it has developed and implemented workplace guidelines in accordance with the Human Immunodeficiency Virus Services Act. Service Provider may elect to use workplace guidelines developed and implemented by TJJD. Should Service Provider not elect to use workplace guidelines developed and implemented by TJJD, Service Provider agrees that its workplace guidelines shall be similar to TJJD's as required by Section 85.113 of the Texas Health and Safety Code.

**Section 3:** In the absence of confidentiality guidelines, Service Provider is not eligible to receive state funds, and Service Provider agrees to refund to the state any state funds Service Provider receives while ineligible.

### **Article 6: Communicable Disease Prevention and Control Act Compliance**

Service Provider certifies compliance with the applicable provisions of the Communicable Disease Prevention and Control Act (Texas Health and Safety Code Chapter 81).

### **Article 7: Federal Confidentiality Compliance**

Any program that specializes, in whole or in part, in providing treatment, counseling, and/or assessment and referral services for youth with alcohol or other drug problems must comply with federal confidentiality regulations. Said regulations apply only to programs that are federally assisted either directly or indirectly. Service Provider certifies compliance with these federal requirements for confidentiality (42 USC 290dd-2; 42 CFR Part 2) and agrees to comply with said requirements for so long as this contract is in force.

#### **Article 8: Restriction on Possession of Weapons**

Service Provider agrees that Service Provider, or any employees, contractors, subcontractors, or associates providing services on behalf of Service Provider, shall not carry or possess any type of firearm or other weapon listed in Texas Penal Code Section 46.01 while rendering services to TJJD youth under this contract. This prohibition includes the carrying of a handgun licensed under the authority of Chapter 411, Subchapter H, Texas Government Code. Service Provider shall be under an affirmative duty to keep weapons out of the possession of TJJD youth in Service Provider's care.

#### **Article 9: Required Disclosure of Lobbyist Activity**

Service Provider agrees that if, at any time during the term of this contract, an employee, director, subconsultant, or subcontractor of Service Provider is required to register as a lobbyist under Texas Government Code Chapter 305, Service Provider shall notify TJJD and provide timely copies of all reports filed with the Texas Ethics Commission, as required by Chapter 305.

#### **Article 10: Notification to TJJD of Subconsultants and Subcontractors**

**Section 1:** Service Provider shall notify TJJD of the selection and/or use of all subcontractors or subconsultants regularly used by Service Provider in performing or assessing the performance of Service Provider's duties under this contract, if paid or anticipated to be paid an amount exceeding five thousand dollars (\$5,000.00) during the term of this contract. Service Provider may not use subcontractors and subconsultants to perform Service Provider's duties under this contract without prior written approval of TJJD. Approval will not be unreasonably withheld.

**Section 2:** No contractual relationship will exist between Service Provider's subconsultants or subcontractors and TJJD. TJJD shall have no responsibility whatsoever for the conduct, actions, or commissions (active or passive) of any subconsultants or subcontractors in the performance of their duties under this contract.

**Section 3:** Service Provider shall be solely responsible for the management of any subconsultants or subcontractors in the performance of their duties under this contract.

#### **Article 11: Compliance with Child Support, Section 231.006, Texas Family Code**

**Under Section 231.006, Family Code, the vendor or applicant [Service Provider] certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.** A bid or an application for a contract, grant, or loan paid from state funds must include the name and social security number of the individual or sole proprietor and each partner, shareholder, or owner with an ownership interest of at least 25 percent of the business entity submitting the bid or application.

SERVICE PROVIDER MUST PROVIDE, IN THE SPACE BELOW, THE NAME AND SOCIAL SECURITY NUMBER OF AN INDIVIDUAL OWNER, A SOLE PROPRIETOR, AND ALL PARTNERS, SHAREHOLDERS, OR OWNERS WITH AN OWNERSHIP INTEREST OF AT LEAST TWENTY-FIVE (25) PERCENT OF THE BUSINESS ENTITY ENTERING INTO THIS CONTRACT.

For business entities with no identifiable owner of twenty-five percent (25%) or more of the entity, indicate with "NONE" on the first line below.

Marti Smith	██████████	100%
<b>Name</b>	<b>Social Security Number</b>	<b>Percent Ownership</b>

**Article 12: Compliance with Section 572.054, Texas Government Code, Former Officer or Employee of TJJJ**

Service Provider certifies compliance with Texas Government Code Section 572.054. Service Provider has not employed a former officer or employee of TJJJ to perform services on Service Provider's behalf, to secure this contract, or to represent Service Provider in any manner prohibited by Section 572.054. A false certification could result in termination of this contract, withholding of payments, or other administrative error sanctions.

**Article 13: Compliance with Section 2252.901, Texas Government Code, Former or Retired Employee of the Agency**

Service Provider represents and warrants that none of its employees including, but not limited to, those authorized to provide services under the contract, were former employees of TJJJ during the twelve (12) month period immediately prior to the date of execution of the contract.

This requirement applies to employment contracts and professional services and consulting services contracts under Texas Government Code Chapter 2254 with former or retired TJJJ employees, as indicated by Texas Government Code Section 2252.901, which reads, "A state agency may not enter into an employment contract, a professional services contract under Chapter 2254, or a consulting services contract under Chapter 2254 with a former or retired employee of the agency before the first anniversary of the last date on which the individual was employed by the agency, if appropriated money will be used to make payments under this contract. This section does not prohibit an agency from entering into a professional services contract with a corporation, firm, or other business entity that employs a former or retired employee of the agency within one year of the employee's leaving the agency, provided that the former or retired employee does not perform services on projects for the corporation, firm or other business entity that the employee worked on while employed by the agency."

**Article 14: Suspension and Debarment**

Service Provider certifies that it and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state, or local governmental entity. Entities ineligible for federal procurement are listed at <http://www.sam.gov>.

**Article 15: Excluded Parties/Terrorism**

Service Provider certifies that it is not listed in the prohibited vendors list authorized by Executive Order No. 13224, "Blocking Property and Prohibiting Transactions with Persons Who Commit, Threaten to Commit, or Support Terrorism", published by the United States Department of the Treasury, Office of Foreign Assets Control.

**Article 16: Fingerprint and Background Check**

Service Provider will:

1. As directed, provide information regarding persons providing services under this contract and personnel access for a criminal background checks, including, but not limited to, fingerprinting check, criminal records check, sex offender registration records check, PREA employment standards check, child abuse registry check, and drug test. Criminal background checks shall be conducted at TJJJ's expense and through TJJJ or TJJJ's contracted service providers for each Service Provider employee, agent, consultant, subcontractors, subcontractor's employee, and volunteer worker. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who is unwilling to provide or who does not provide required information will not be allowed to work under this contract. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall not work under this contract until the criminal background check is completed and approval is obtained from TJJJ's Director of Human Resources.
2. Notify TJJJ's Director of Human Resources of any employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who works with TJJJ youth and who is arrested, indicted, or charged with a criminal offense or who resigns while under investigation for inappropriate conduct or policy violations. Such employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall be immediately suspended from working under this contract unless authorized by TJJJ's Director of Human Resources.

TJJJ will approve or deny any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker in accordance with TJJJ policies and procedures. TJJJ's designated contact for criminal background checks is the Human Resources Department, Manager of Criminal Background Checks, (512) 490-7674.

#### **Article 17: Prior Disaster Relief Contract Violation**

**Under Section 2155.006 and 2261.053, Government Code, the vendor or contractor [Service Provider] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.**

A state agency may not accept a bid or award a contract, including a contract for which purchasing authority is delegated to a state agency, that includes proposed financial participation by a person who, during the five-year period preceding the date of the bid or award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005.

#### **Article 18: Antitrust**

Service Provider represents and warrants that, in accordance with Section 2155.005 of the Texas Government Code, neither Service Provider nor the firm, corporation, partnership, or institution represented by Service Provider, or anyone acting for such a firm, corporation or institution has (1) violated any provision of the Texas Free Enterprise and Antitrust Act of 1983, Chapter 15 of the Texas Business and Commerce Code, or the federal antitrust laws, or (2) if applicable, communicated directly or indirectly the contents of a response to any competitor or any other person engaged in the same line of business as Service Provider.

**Article 19: Intellectual Property Indemnification – Applicable to Contracts Involving Intellectual Property Matters**

SERVICE PROVIDER SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS TJJJ AND THE STATE OF TEXAS FROM AND AGAINST ANY AND ALL CLAIMS, VIOLATIONS, MISAPPROPRIATIONS OR INFRINGEMENT OF ANY PATENT, TRADEMARK, COPYRIGHT, TRADE SECRET OR OTHER INTELLECTUAL PROPERTY RIGHTS AND/OR OTHER INTANGIBLE PROPERTY, PUBLICITY OR PRIVACY RIGHTS, AND/OR IN CONNECTION WITH OR ARISING FROM: (1) THE PERFORMANCE OR ACTIONS OF SERVICE PROVIDER PURSUANT TO THIS CONTRACT; (2) ANY DELIVERABLE, WORK PRODUCT, CONFIGURED SERVICE OR OTHER SERVICE PROVIDED HEREUNDER; AND/OR (3) TJJJ'S AND/OR SERVICE PROVIDER'S USE OF OR ACQUISITION OF ANY REQUESTED SERVICES OR OTHER ITEMS PROVIDED TO TJJJ BY SERVICE PROVIDER OR OTHERWISE TO WHICH TJJJ HAS ACCESS AS A RESULT OF SERVICE PROVIDER'S PERFORMANCE UNDER THE CONTRACT. SERVICE PROVIDER AND TJJJ AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM. SERVICE PROVIDER SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE, INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY SERVICE PROVIDER WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL (OAG) WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND SERVICE PROVIDER MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM OAG. IN ADDITION, SERVICE PROVIDER WILL REIMBURSE TJJJ AND THE STATE OF TEXAS FOR ANY CLAIMS, DAMAGES, COSTS, EXPENSES OR OTHER AMOUNTS, INCLUDING, BUT NOT LIMITED TO, ATTORNEYS' FEES AND COURT COSTS, ARISING FROM ANY SUCH CLAIM. IF TJJJ DETERMINES THAT A CONFLICT EXISTS BETWEEN ITS INTERESTS AND THOSE OF SERVICE PROVIDER OR IF TJJJ IS REQUIRED BY APPLICABLE LAW TO SELECT SEPARATE COUNSEL, TJJJ WILL BE PERMITTED TO SELECT SEPARATE COUNSEL AND SERVICE PROVIDER WILL PAY ALL REASONABLE COSTS OF TJJJ'S COUNSEL.

**Article 20: Contracting with Executive Head of State Agency**

In accordance with Section 669.003 of the Texas Government Code, relating to contracting with the executive head of a state agency, Service Provider certifies that it is not (1) the executive head of TJJJ, (2) a person who at any time during the four years before the date of the contract was the executive head of TJJJ, or (3) a person who employs a current or former executive head of TJJJ. Or Service Provider and TJJJ have complied with the requirements of Section 669.003 concerning board approval and notice to the Legislative Budget Board.

**Article 21: Abandonment or Default**

If Service Provider defaults on this contract, TJJJ reserves the right to cancel this contract without notice and either resolicit bids or award this contract to the next best responsive and responsible service provider. The defaulting Service Provider will not be considered in the resolicitation and may not be considered in future solicitations for the same type of work, unless the specifications or scope of work are significantly different. The period of suspension will be determined by TJJJ based on the seriousness of the default.

**Article 22: Certain Bids and Contracts Prohibited**

Under Texas Government Code, Section 2155.004, TJJJ may not accept a bid or award a contract that includes proposed financial participation by a person who received compensation from TJJJ to participate in preparing the specifications or request for proposals on which the bid or contract is based. If Service Provider is not eligible, then this contract may be immediately terminated. **Under Section 2155.004, Government Code, the vendor [Service Provider] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and**

**acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.**

### **Article 23: Gifts and Gratuity**

Pursuant to Section 2155.003 of the Texas Government Code, Service Provider represents and warrants that it has not given, offered to give, nor intends to give at any time hereafter any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant in connection with the contract.

### **Article 24: By signature hereon, Service Provider certifies that:**

All statements and information prepared and submitted in relation to this contract is current, complete, and accurate; Service Provider has disclosed in writing to TJJJ all existing or potential conflicts of interest relative to the performance of the contract; and if circumstances change during the course of the contract, Service Provider shall promptly notify TJJJ.

### **Article 25: Compliance with the Prison Rape Elimination Act of 2003 (PREA)**

Service Provider shall comply with the Prison Rape Elimination Act of 2003 (PREA) (42 U.S.C. 15601 et seq.) and with all applicable standards, rules, regulations, and TJJJ policies related to PREA. Service Provider shall make itself familiar with and at all times shall observe and comply with all PREA regulations which affect performance in any manner under this contract. Failure to comply with PREA standards, rules, regulations, and TJJJ policies may result in termination of this contract.

### **Article 26: Access to Information**

Information, documentation, and other material in connection with this contract may be subject to public disclosure pursuant to Chapter 552 of the Texas Government Code (the "Public Information Act"). In accordance with Section 2252.907 of the Texas Government Code, Service Provider is required to make any information created or exchanged with the State pursuant to the contract, and not otherwise excepted from disclosure under the Texas Public Information Act, available in a format that is accessible by the public at no additional charge to the State. Such formats include, but are not necessarily limited to, in a non-encrypted electronic format, PDF, and HTML.

### **Article 27: Verification of Worker Eligibility Clause**

Service Provider certifies that for contracts for services, Service Provider shall utilize the U.S. Department of Homeland Security's E-Verify system (E-Verify) during the term of the contract to determine the eligibility of:

1. all persons employed by Service Provider to perform duties within Texas; and
2. all persons, including subcontractors, assigned by Service Provider to perform work pursuant to the contract within the United States of America.

Service Provider shall provide, upon written request by TJJJ, an electronic or hard copy screenshot of the confirmation that Service Provider is enrolled in E-Verify. Service Provider shall provide, upon written request by TJJJ, an electronic or hard copy of the confirmation or non-confirmation screen containing the E-Verify case verification number for attachment to the Form I-9 for each Service Provider employee, subcontractor, and subcontractor employee that meet the criteria above, following any required E-Verify protocols to allow for the provision of such information.

If it is determined that Service Provider has violated the certifications set forth in this Article, then (1) Service Provider shall be in breach of contract, (2) TJJJ shall have the option to terminate the contract for cause without prior notice, and (3) in addition to any other rights or remedies available to TJJJ under

the contract, Service Provider shall be responsible for all costs incurred by TJJJ to obtain substitute services to replace the terminated contract.

#### **Article 28: Prohibition on Contracts with Companies Boycotting Israel**

In accordance with Section 2270.002 of the Texas Government Code, Service Provider hereby represents and warrants that it does not, and shall not for the duration of the contract, boycott Israel as the term is defined by 808.001(1) of the Texas Government Code.

#### **Article 29: Prohibition on Contracts with Companies Engaged in Business with Iran, Sudan, or Foreign Terrorist Organizations**

Section 2252.152 of the Texas Government Code prohibits TJJJ from awarding a contract to any person who does business with Iran, Sudan, or a foreign terrorist organization as defined in Section 2252.151 of the Texas Government Code. Service Provider certifies that it is not ineligible to receive the contract.

### **IV. GENERAL PROVISIONS**

#### **Article 1: Relationship of Parties**

Service Provider is acting as an independent contractor and is wholly responsible for the day-to-day operations of its programs and employees. No joint venture, partnership, or agency exists, nor shall be implied by the terms of this contract. No employee of Service Provider shall become an employee of TJJJ by virtue of this contract.

Service Provider agrees and acknowledges that during the existence of this contract, Service Provider shall be entirely responsible for the liability and payment of Service Provider's and Service Provider's employees' taxes of whatever kind, arising out of the performance of this contract. Service Provider agrees to comply with all state and federal laws applicable to any such persons, including laws regarding wages, taxes, insurance, and workers' compensation. TJJJ shall not be liable to Service Provider, its employees, agents, or others for the payment of taxes or the provision of unemployment insurance and/or workers' compensation or any benefit available to a TJJJ or other state employee. Further, Service Provider shall indemnify and hold harmless TJJJ, state agencies, the State of Texas, and/or their employees, agents, representatives, and/or assignees from any liability, actions, claims, demands, or suits, and all related costs, attorneys' fees, and expenses relating to tax liability, unemployment insurance, and/or workers' compensation payments.

#### **Article 2: Indemnity**

**SERVICE PROVIDER SHALL DEFEND, INDEMNIFY, AND HOLD HARMLESS THE STATE OF TEXAS AND TJJJ, AND/OR THEIR OFFICERS, AGENTS, EMPLOYEES, REPRESENTATIVES, CONTRACTORS, ASSIGNEES, AND/OR DESIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEY FEES, AND EXPENSES ARISING OUT OF, OR RESULTING FROM ANY ACTS OR OMISSIONS OF SERVICE PROVIDER OR ITS AGENTS, EMPLOYEES, SUBCONTRACTORS, ORDER FULFILLERS, OR SUPPLIERS OF SUBCONTRACTORS IN THE EXECUTION OR PERFORMANCE OF THE CONTRACT AND ANY PURCHASE ORDERS ISSUED UNDER THE CONTRACT. THE DEFENSE SHALL BE COORDINATED BY SERVICE PROVIDER WITH THE OFFICE OF THE TEXAS ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND SERVICE PROVIDER MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE TEXAS ATTORNEY GENERAL. SERVICE PROVIDER AND TJJJ AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.**

### **Article 3: Liability Insurance**

**Section 1:** Service Provider shall maintain liability insurance in the amount of \$300,000.00 for each occurrence of negligence. The insurance must cover injury to a youth that occurs when the youth is in Service Provider's care, custody, or control.

**Section 2:** Service Provider shall provide proof of insurance documents to the TJJJ Contracts Department, upon request.

**Section 3:** The required insurance coverage, in the above-stated amount, must be maintained during the term of this contract and through any subsequent extensions. Failure to maintain the required insurance coverage may result in termination of this contract or administrative error sanctions.

### **Article 4: Confidentiality and Security**

**Section 1:** Service Provider agrees that all of its employees will comply with state and federal law and with TJJJ policies regarding the confidentiality of student records and identifying information.

**Section 2:** Service Provider agrees that all information regarding TJJJ and/or its youth that is gathered, produced, or otherwise derived from this contract shall remain confidential and subject to release only by permission of TJJJ.

**Section 3:** Service Provider's employees who visit any TJJJ facility will comply with that facility's security regulations.

**Section 4:** Identifying pictures, appearances, films, or reports of TJJJ youth may not be disclosed by Service Provider without the written consent of TJJJ, of the youth and, if under age 18, of the youth's parent, guardian, or managing conservator.

### **Article 5: Administrative Error Sanctions**

**Section 1:** In addition to its authority to terminate this contract under Article 6 below or other provisions of this contract, TJJJ, based on information from monitoring or other verifiable sources, may take other actions including, but not limited to:

- a. Requiring Service Provider to take specific corrective actions in order to remain in compliance with the terms of this contract; and/or
- b. Recouping payment made to Service Provider; and/or
- c. Imposing recommendations from audit or investigative findings, and minor or major sanctions; and/or
- d. Assessing liquidated damages for each instance of non-compliance; and/or
- e. Suspending, placing into abeyance, or removing any contractual rights including, but not limited to, withholding payment, moratorium on placements, population limitations, and/or removal of all youth presently in the program.

**Section 2:** Service Provider shall cooperate fully with TJJJ and its authorized representatives in carrying out corrective action plans.

### **Article 6: Termination**

**Section 1:** Service Provider may terminate, for convenience, its obligations under this contract by giving thirty (30) days' written notice to TJJJ.

**Section 2:** TJJJ may terminate, for convenience, its obligations under this contract by giving thirty (30) days' written notice to Service Provider.

**Section 3:** TJJJ shall terminate this contract in the event that TJJJ is not granted funding to pay for the herein described services or in the event that funding is lost due to either a reduction in the budget or a reallocation of budgeted funds.

**Section 4: Cause/Default/Breach:** If Service Provider fails to provide the goods or services contracted for according to the provisions of this contract, or fails to comply with any terms or conditions of this contract, TJJJ may, upon written notice of default or breach to Service Provider, immediately terminate all or any part of this contract. Termination is not an exclusive remedy, but exists in addition to any other rights and remedies provided in equity, by law, or under this contract. TJJJ may exercise any other right, remedy, or privilege available to it under applicable law or may proceed by appropriate court action to enforce the provisions of this contract. The exercise of any of the foregoing remedies will not constitute a termination of this contract unless TJJJ notifies Service Provider in writing prior to the exercise of such remedy. Service Provider shall be liable for all costs and expenses, including court costs, incurred by TJJJ with respect to the enforcement of any of the remedies listed herein.

**Section 5:** Termination of this contract shall not release Service Provider from liability or obligation set forth in the contract that is expressly stated to survive termination or by its nature would be intended to be applicable following termination, including, but not limited to, provisions regarding confidentiality, indemnification, transition, records, audit, property rights, dispute resolution, and invoice and fee verifications.

#### **Article 7: Funding Out Clause**

The contract is subject to termination or cancellation, without penalty to TJJJ, either in whole or in part, subject to the availability of state funds. TJJJ is a state agency whose authority and appropriations are subject to actions of the Texas Legislature. If TJJJ becomes subject to a legislative change, revocation of statutory authority, or lack of appropriated funds that would render either TJJJ's or Service Provider's delivery or performance under the contract impossible or unnecessary, the contract will be terminated or cancelled and be deemed null and void. In the event of a termination or cancellation under this Article, TJJJ will not be liable to Service Provider for any damages, that are caused or associated with such termination or cancellation, and TJJJ will not be required to give prior notice.

#### **Article 8: Waiver**

No waiver by either party of any breach or default of the other under this contract shall operate as a waiver of any future or other breach or default, whether of a like or different character or nature.

#### **Article 9: Severability**

The provisions of this contract are severable. If any provision of this contract is determined by a court of law or other competent authority to be invalid and contrary to any federal, state, or local law, such invalidity shall not affect the other provisions or applications of this contract, which can be given effect without the invalid provision or application.

#### **Article 10: Contract Term**

This contract will become effective **upon final signature**, through **August 31, 2020**. This contract may be renewed, provided that both parties agree in writing to any renewal through contract amendment. Any renewals shall be at the same terms and conditions, including any approved changes.

## **Article 11: Contract Amendment and Merger Clause**

This contract encompasses the complete and entire agreement of the parties. Neither party has made nor relied on any representations, stipulations, nor agreements other than those expressly contained in this contract. No other contracts or agreements, oral or written, shall constitute a part of this contract unless such is made in writing, executed by the parties hereto or their successors, and expressly made a part of this contract. This contract may only be amended or supplemented in a writing, executed by the parties hereto or their successors, and expressly made a part of this contract, except that TJJJ reserves the right to make unilateral minor administrative changes to correct typographical errors, change the TJJJ contract identification number, or increase the "not to exceed" amount (if applicable) necessary for continuation of services.

## **Article 12: Notice of Changes**

**Section 1:** Service Provider shall notify TJJJ immediately in writing in advance of any significant change affecting Service Provider, including, but not limited to, change of Service Provider's name or identity, location of services, ownership or control, operating entity, governing board membership, key personnel, payee identification number, and any other significant changes that may affect the delivery of services under the terms of this contract.

**Section 2:** Service Provider shall not transfer or assign this contract or enter into any subcontract for the services under this contract without prior written approval from TJJJ.

**Section 3:** Service Provider shall not relocate the services provided under this contract from the location stated in the preamble without prior written approval from TJJJ and a certification that the location to which services are to be relocated is in compliance with Chapter 244, Texas Local Government Code, if applicable.

## **Article 13: Notice**

Required notices will be provided to the Director of Business Operations and Contracts at TJJJ Central Office at **11209 Metric Blvd., Bldg. H, Suite A, Austin, TX 78758**, and to Service Provider at **1905 Tosca Cove, Cedar Park, TX 78613**.

## **Article 14: Governing Law and Venue**

The contract shall be governed by and construed in accordance with the laws of the State of Texas, without regard to the conflicts of law provisions. The venue of any suit arising under the contract is fixed in any court of competent jurisdiction of Travis County, Texas, unless the specific venue is otherwise identified in a statute which directly names or otherwise identifies its applicability to TJJJ.

## **Article 15: Problem Solving in the Ordinary Course of Business**

**Section 1:** The parties to this contract shall use the procedures contained in this Article for routine problem solving. These procedures may also be used if a party is asserting a claim for breach of contract. Should these procedures not resolve claims for breach of this contract, the procedures contained in Article 16 below shall be followed thereafter.

**Section 2:** Informal Resolution: Service Provider and TJJJ staff will communicate regularly and engage in informal problem solving efforts as a routine measure, thus preventing differences from becoming major problems. When routine measures have been exhausted, Service Provider and TJJJ staff are encouraged to utilize the following mechanism to resolve problems.

**Section 3:** Formal Resolution:

- a. Service Provider or TJJJ staff who wish to submit problems for resolution may do so in

- writing, including all relevant information and a recommended resolution (Statement of Problem).
- b. The Statement of Problem will be submitted to the designated contact, the Director of Business Operations and Contracts, unless the problem specifically involves the designated contact, in which case, it will be submitted to the designated contact's supervisor.
  - c. Problems are to be addressed within ten (10) working days; a written decision will be sent to the individual or program that submitted it, to the designated contact, and to the designated contact's supervisor.

**Section 4:** Appeal: Service Provider or TJJJ staff desiring to appeal the decision may do so in writing, within ten (10) working days from the date of written decision, by providing all pertinent information relevant to the appeal to the designated contact's supervisor if the problem was originally addressed by the designated contact, or to the TJJJ Contracts Department if the problem was addressed by the designated contact's supervisor. When appealed, the problem shall be addressed within fourteen (14) working days, with written responses sent to the individual or program who submitted it, the designated contact, the designated contact's supervisor, and the TJJJ Contracts Department.

#### **Article 16: Claims for Breach of Contract – Dispute Resolution**

The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used to attempt to resolve any dispute arising under this contract. If Service Provider's claim for breach of contract cannot be resolved informally with TJJJ, the claim shall be submitted to the negotiation process provided in Chapter 2260. However, Chapter 2260 does not waive sovereign immunity to suit or liability.

To initiate the process, Service Provider shall submit written notice, as required by Chapter 2260, to the individual identified in the contract for receipt of notices. Any informal resolution efforts shall in no way modify the requirements or toll the timing of the formal written notice of a claim for breach of contract required under Section 2260.051 of the Texas Government Code. Compliance by Service Provider with Chapter 2260 is a condition precedent to the filing of a contested case proceeding under Chapter 2260.

The contested case process provided in Chapter 2260 is Service Provider's sole and exclusive process for seeking a remedy for an alleged breach of contract by TJJJ, defended by the Office of the Attorney General, if the parties are unable to resolve their disputes as described above. Notwithstanding any other provision of the contract to the contrary, unless otherwise requested or approved in writing by TJJJ, Service Provider shall continue performance and shall not be excused from performance during the period any breach of contract claim or while the dispute is pending. However, Service Provider may suspend performance during the pendency of such claim or dispute if Service Provider has complied with all provisions of Section 2251.051 of the Texas Government Code (Vendor Remedy for Nonpayment of Contract), and such suspension of performance is expressly applicable and authorized under that law.

#### **Article 17: No Third Party Beneficiaries**

The terms of this contract are for the sole benefit of the parties to this contract and will not be construed to confer any rights on any other person.

#### **Article 18: Audit Clause**

Pursuant to Section 2262.154 of the Texas Government Code, the state auditor may conduct an audit or investigation of any entity receiving funds from the state directly under any contract or indirectly

through a subcontract under the contract. The acceptance of funds by Service Provider or any other entity or person directly under the contract or indirectly through a subcontract under the contract acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. Under the direction of the legislative audit committee, Service Provider or other entity that is the subject of an audit or investigation by the state auditor must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit. Service Provider shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through the contract and the requirement to cooperate is included in any subcontract it awards.

Service Provider shall maintain and retain supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with TJJD and State of Texas requirements. Service Provider shall maintain all such documents and other records relating to this contract and the State's property for a period of seven (7) years after the date of submission of the final invoices or until a resolution of all billing questions or contract issues, whichever is later. Service Provider shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to the State's property, such as work papers, reports, books, data, files, software, records, and other supporting documents pertaining to this contract, for purposes of inspecting, monitoring, auditing, or evaluating by TJJD, the State of Texas, or their authorized representatives. Service Provider shall cooperate with auditors and other authorized TJJD and State of Texas representatives and shall provide them with prompt access to all of such State's property as requested by TJJD or the State of Texas. Service Provider's failure to comply with this Article shall constitute a material breach of this contract and shall authorize TJJD to immediately assess liquidated damages. TJJD may require, at Service Provider's sole cost and expense, independent audits by a qualified certified public accounting firm of Service Provider's books and records or the State's property. The independent auditor shall provide TJJD with a copy of such audit at the same time it is provided to Service Provider. TJJD retains the right to issue a request for proposals for the services of an independent certified public accounting firm under this contract.

The contract may be amended unilaterally by TJJD to comply with any rules and procedures of the state auditor in the implementation and enforcement of Section 2262.154 of the Texas Government Code.

#### **Article 19: Debt Owed to State of Texas**

Service Provider agrees that any payments due under the contract shall be directly applied towards eliminating any debt or delinquency it has to the State of Texas including, but not limited to, delinquent taxes, delinquent student loan payments, and delinquent child support.

#### **Article 20: Buy Texas**

In accordance with Section 2155.4441 of the Texas Government Code, Service Provider agrees that during the performance of a contract for services it shall purchase products and materials produced in Texas when they are available at a price and time comparable to products and materials produced outside this state.

#### **Article 21: Specifications**

Service Provider shall provide services in accordance with the specifications contained in this contract. TJJD will determine the answers to all questions that may arise as to the interpretation of the specifications and the quality or acceptability of work performed. TJJD will decide the rate of progress of the work and the acceptable fulfillment of services on the part of Service Provider.

#### **Article 22: Assignment**

Without the prior written consent of TJJD, Service Provider may not assign this contract, in whole or in

part, or any right or duty required under it.

**Article 23: Compliance with Other Laws**

In the execution of this contract, Service Provider shall comply with all applicable federal, state, and local laws, including laws governing labor, equal employment opportunity, safety, and environmental protection. Service Provider shall make itself familiar with and at all times shall observe and comply with all federal, state, and local laws, ordinances, and regulations which in any manner affect performance under this contract.

**Article 24: Execution Authority**

Service Provider represents and warrants that the individual signing this contract is authorized to sign this document on behalf of Service Provider and to bind Service Provider under this contract. This contract shall be binding upon and shall inure to the benefit of TJJD and Service Provider and to their representatives, successors, and assigns. The parties expressly agree that no provision of this contract is in any way intended to constitute a waiver by TJJD or the State of Texas of any immunities from suit or from liability that TJJD or the State of Texas may have by operation of law.

IN WITNESS WHEREOF, the parties hereto have made and executed this contract as of the day and year last below written.

**For the Texas Juvenile Justice Department:**

  
\_\_\_\_\_  
Camille Cain, Executive Director 1/5/19  
Date

**For Service Provider:**

  
\_\_\_\_\_  
Signature Printed Name 2-28-19  
Date

**Approved as to form:**

  
\_\_\_\_\_  
TJJD Attorney 2/1/19  
Date