

STATE OF TEXAS §
 §
COUNTY OF TRAVIS §

**NON-SECURE RESIDENTIAL SERVICES
CONTRACT CON0001563**

This contract shall begin on **November 1, 2023** and remain in effect through **August 31, 2025**, and is by and between the **Texas Juvenile Justice Department**, hereinafter **TJJD**, and **Pegasus Schools, Inc.**, [REDACTED], hereinafter **Contractor** or **Service Provider**, for the provision of Non-Secure Residential Services. This Contract is identified as Contract Number **CON0001563**.

This Agreement is composed of the following documents:

1. This Contract, including all attachments;
2. Service Provider’s response to; Revised Exhibit B – Price Form dated 10/13/2023;
3. Service Provider’s proposal dated September 29, 2023; and
4. RFP # 644-23-070123, Non-Secure Residential Services

In the event there is conflict between the Agreement documents, the order of precedence shall be the order listed above.

This contract is entered into under the authority of Section 242.053 of the Texas Human Resources Code, for the mutual considerations described in this contract.

SECTION I
CONTRACT TERM

The term of the contract will be from December 1, 2023 through November 30, 2025 with an option to renew for one (1) additional one (1) year contract periods contingent on satisfactory contract performance, annual legislative appropriations; and by written agreement signed both parties. Initiating contract renewal will be at the sole discretion of TJJD. Any contract awarded under this solicitation shall become effective upon the execution of a contract. This contract is contingent upon the approval of the TJJD’s next Board meeting.

Pegasus agrees to provide TJJD up to 20 beds per day at a Daily Rate of **two hundred and fifty dollars (\$250.00)** per Youth. **The Not to Exceed total amount for the initial term of the contract is three million six hundred fifty thousand dollars (\$3,650,000.00)**. This includes up to five (5) days that the youth may be authorized to be away from the program. This authorization may be granted and the limit extended for unusual circumstances by the TJJD Contract Care Case Management Coordinator. Renegotiate an increased FY’25 daily rate based on Service Provider performance and TJJD's budget.

TJJD reserves the right to renew this contract for one (1), one (1) year option periods, under the same terms and conditions, with any mutually approved changes, and to be evidenced in writing by contract amendment executed by both parties prior to the expiration date of the initial contract term.

All work shall be completed within the contract period, unless otherwise extended by written modification of the contract upon agreement of the contracting parties. Service Provider shall not begin performance until receipt of a written Amendment.

SECTION II **SERVICE PROVIDER**

1. Statement of Work:

For and in consideration of the payment of fees to Service Provider, in accordance with the scope of work for **Non-Secure Residential Services** in Texas to male juvenile offenders ages 10-18, Service Provider agrees to the following:

- Engage in management practices that: promote the safety and well-being of staff and youth;
- Establish clear expectations of behavior and an accompanying system of accountability for youth and staff that promote mutual respect, self-discipline, and order;
- Protect public safety;
- Identify and effectively respond to youth health, mental health, and related behavioral problems throughout the course of confinement through the use of professionally-appropriate diagnostic, treatment, and prevention protocols;
- Provide meaningful opportunities and services for youth to improve their education and vocational competence, and effectively address underlying behavior problems and prepares them for responsible living in the community;
- Operate the facility in a manner consistent with principles of fairness and that provide the means of ensuring and protecting each youth and family's legal rights; and all counseling or treatment services will be provided by fully Licensed or Certified Professionals such as Chemical Dependency Counselors, Licensed Professional Counselors, or Qualified Credentialed Counselors.
- Prepare (e.g., step-down-halfway house or home to community release) youth for successful reintegration into the community while they reside at the facility through individualized planning from the perspective of family and community, programming and activities that prepare them for transition and continue when appropriate after the youth leaves the facility, and linkages and activities between the facility and aftercare case managers with outside service providers or key community agencies.

2. Rehabilitative/Treatment Services:

Individual counseling must be conducted by an experienced and qualified caseworker.

All specialized treatment services will be provided by fully licensed or Certified Professionals such as Chemical Dependency Counselors, Licensed Professional Counselors, or Qualified Credentialed Counselors. Maintain compliance with the TJJD Case Management Requirements for Contract Care Programs (see below):

1. Service Provider shall maintain clinical, medical, and educational documentation (e.g., chronological records, case notes, individual service/case plans, etc.) of all TJJD youth in their care. To the extent allowed by the Health Insurance Portability and Accountability Act (HIPAA) and other federal, state, and local law, Provider shall give copies of such records to a youth's TJJD Primary Service Worker within five (5) business days of completion, or another time period specified by TJJD.
2. Service Provider will receive a completed risk and protective factor assessment in the referral packet. The Service Provider will write a comprehensive summary within seven workdays after the youth arrives in the Correctional Care System (CCS) including, but not limited to, the: (i) youth's risk and protective factors; (ii) youth's progress in the rehabilitation program and his/her current program needs; (iii) youth's progress in achieving specialized treatment

- objectives and his/her current specialized treatment needs; and (iv) strategies to facilitate the youth's positive program participation;
3. The initial case plan following intake is developed by the MDT within 30 days after the youth's arrival. The case manager will develop an individualized plan based on the clinical and risk/protective factors of the youth. The plan will be written in a manner that the youth can understand and will include the following:
 - a. Identify behavior risks to be targeted for clinical/behavioral interventions;
 - b. Educational/vocational needs and plan for intervention;
 - c. Risk factors and protective factors to be targeted in clinical services and programming;
 - d. Identify any special needs of youth in order to provide appropriate services listed in the youth initial plan (Example: MH, SO, AOD, etc.);
 - e. Identify plans for Family Participation/Transition planning; and,
 - f. The objectives must be specific and measurable with thirty (30) day timeframes for completion until transition.
 4. Youth will be assessed by TJJD for clinical services needs and Service Provider must ensure youth are seen by appropriately licensed and/or qualified professionals. Services will be provided in accordance with youth need and clinician recommendation. Documentation of sessions will remain in the youth's file at the contract facility with copies of all documented services going to the TJJD Primary Service Worker.
 5. The treatment/service plan is updated at least once every 90 days or more frequently as determined by behavior or changes in treatment needs. Youth treatment/service plans must be reviewed by the Service Provider, family, youth and MDT monthly and documented in a chronological chrono. The monthly review should document the youth's progress for the previous review period and must identify risk and protective factors' interventions addressed. Documentation of this review must be kept on a common form and placed in the youth's file within five (5) days of the review (with a copy to the TJJD Primary Service Worker).
 6. Formally reassess risk and protective factors, via an approved assessment tool (tool to be used must be approved by TJJD prior to evaluating youth), every ninety (90) days or more frequent if significant behavioral and/or treatment changes to evaluate the youth's progress in reducing risk and increasing protective factors. At this time, the updated treatment plan will address interventions necessary to meet the best interests of the youth, to identify aftercare needs, and to review continued need for the placement based on treatment needs and assigned length of stay. The TJJD Primary Service Worker should be contacted for their input. Families must be invited by written notice to attend and participate in the treatment/service plan review. (Approved assessment tools): Residential Positive Achievement Change Tool
 7. Begin aftercare planning within thirty (30) day of arrival. A draft transition plan must be ready no less than sixty (60) days prior to the youth's release from the program and must have been developed with the family, TJJD Primary Service Worker and/or TJJD Parole Officer. The plan must include specific referrals and services identified for youth upon their return to the community.
 8. Document all (unsuccessful) attempts to get input from the youth's family, TJJD Primary Service Worker and/or Parole Officer.

3. Service Provider must:

1. Demonstrate the willingness to meet youth transportation needs.

2. Describe how transportation will be provided and how it will comply with State driving license requirements; and
3. Maintain Auto Liability with a \$1,000,000 Combined Single Limit

4. **Staff Requirements**

Must include the assurances and descriptions related to the structure and supervision of TJJD youth:

- a. Assure a direct care staff to youth ratio of 1 staff to 8 youth during waking hours, and follow the supervision requirements of Respondent's licensing/certifying agency during sleeping hours at all times;
- b. Assure the direct care staff to youth ratios will include only staff providing direct supervision to TJJD youth. Supervisors, licensed clinical social workers, caseworkers, volunteers, and educators will not be considered as direct care staff and will not be counted for purpose of the ratio.
- c. A plan to deploy staff according to the activities that youth will be engaged in, for example, during school, recreation, or while in their dorm, and at all other times;
- d. If the proposed program is located in a facility with other programs, provide a plan to deploy staff to manage interactions between TJJD youth and these populations;
- e. A plan to deploy staff during the school day in or near classrooms if school is provided on site.
- f. Direct care staff are at least 21 (twenty-one) years of age;
- g. Schedules for direct care staff for weekdays and weekends; and
- h. Job descriptions for direct care staff that define duties, knowledge skills and abilities.

5. **Clinical and Other Staff**

Service Provider must provide clinical staff. At a minimum, the following must be included:

- a. All counseling or treatment services will be provided by fully Licensed or Certified Professionals, e.g., Chemical Dependency Counselors, Licensed Professional Counselors, or Qualified Credentialed Counselors;
- b. At a minimum, clinical staff must include one fully licensed, master's level or above therapist for every 16 youth;
- c. The Facility Administrator must have experience managing or supervising a program for juvenile offenders. The Respondent must submit a resume of the proposed Facility Administrator;
- d. Other staff may include the positions needed for the safe and efficient operation of the proposed facility;
- e. List all proposed clinical and other staff positions and copies of certifications and licenses;
- f. Provide job descriptions for clinical staff positions that define duties, knowledge skill and abilities; and
- g. Respondent will report changes in its clinical staff to the Director of Contract Facilities as soon as reasonably possible but no more than 15 days from the date of the change.

6. **Training Requirements and Restraint Technique**

Each employee whose primary duty includes the supervision of TJJD youth must have adequate and proper training, both classroom training and on-the-job training, before the employee can have sole supervision responsibilities. Sole supervision is defined as staff that are eligible to be included in the direct care staff to student ratio. During the Contract term, TJJD anticipates assisting Respondent with training for specific content relating to TJJD requirements. The training must provide the employee with information and instruction related to the employee's duties, including the following areas:

- a. The juvenile justice system of Texas, including the juvenile correctional facility system;
- b. Security procedures;
- c. The supervision of children committed to TJJD;
- d. Signs of suicide risks and suicide precautions;
- e. Signs and symptoms of the abuse, assault, neglect, and exploitation of a child; including sexual abuse and sexual assault and the manner in which to report the abuse, assault, neglect, or exploitation of a child;
- f. The neurological, physical, and psychological development of adolescents;
- g. TJJD rules and regulations, including rules, regulations, and tactics concerning use of force;
- h. Appropriate restraint techniques;
- i. The Prison Rape Elimination Act of 2003;
- j. The rights and responsibilities of children in the custody of TJJD;
- k. Interpersonal relationship skills;
- l. The social and cultural lifestyles of children in the care of TJJD;
- m. First aid and cardiopulmonary resuscitation;
- n. Counseling techniques;
- o. Conflict resolution and dispute mediation, including de-escalation techniques;
- p. Behavior management;
- q. Mental Health issues;
- r. Employee rights, employment discrimination and sexual harassment; and
- s. Developmental and social understanding for male residents and juveniles including developmental milestones for male and male adolescents; sexual; education and building healthy relationships. Training should also include strategies for responding to aggressiveness, depression, channeling excessive energy, and promoting positive behavior.
- t. Certify that each employee whose primary duties include sole supervision of TJJD youth will have received adequate and proper training before assuming sole supervision responsibilities.
- u. Provide training for staff prior to the referral of TJJD youth to the proposed program.
- v. Identify the restraint technique to be used.
- w. Certify that all staff, except clerical support staff, will be appropriately trained and certified in an approved restraint technique before assuming their duties.
- x. Describe its staff training program for trauma-informed care behavioral modification and correctional/clinical treatment program. Staff must have at least annual updates and skills building training on the program.
- y. Certify that all employees that will serve TJJD youth have passed a TJJD background check or have received a waiver from the TJJD executive director.

7. Hours of Operation and Program Schedule

- a. Must provide services for facility operation 24 hours per day 7 days a week at the required staffing ratios.
- b. Must submit a daily and weekend schedule that includes all program activities.

8. Educational Services

Service Provider must ensure that TJJD youth are provided with the appropriate educational services as required by state and federal law. Educational services must be provided by a local education agency (LEA) that is accredited by the Texas Education Agency.

The Service Provider must:

- a. Identify the LEA that is to provide educational services for TJJD youth. The LEA must provide a full day education program (minimum of 360 minutes of instruction) during the full full-year school term. Provide documentation that the LEA is fully aware of the proposed program and its target population that demonstrates the LEA's willingness and intent to

- provide the required educational services;
- b. Advocate for services provided by the LEA that are specifically significant for male adolescents. Respondents should include references to evidence-based programs, scientific research, or other valid source to show basis of the gender-specific and gender-significant services. Proposals that show or ensure that these services will be provided will be evaluated more favorably;
- c. Provide the annual school schedule, including the number of instructional days;
- d. Provide activities that youth will be engaged in during school holidays;

9. **Clothing, Nutrition, and Hygiene Items**

Service Provide is responsible for procuring and distributing clothing and hygiene items to TJJD youth and providing for their nutritional requirements.

The following are the minimum articles of clothing for TJJD youth:

- Socks
- Underwear
- Pants
- Shirts
- Shoes
- Recreational Clothing
- Sweatshirts, jackets or other seasonally appropriate outer clothing.

Each youth must have their own socks and underwear. The number of changes that a TJJD youth will need depends on the laundry schedule. At release, youth are given the clothes that they wear leaving the program shoes, pants, shirt, and seasonally appropriate outer clothing along with at least the following: underwear, socks.

- (1.) Provide a list of clothing for each TJJD youth;
- (2.) Describe uniforms or provide Respondent's clothing policy; and
- (3.) Submit the laundry schedule for youth in Respondent's care.

10. **For nutrition, Service Provider must make the following assurances and provide the following:**

- a. Submit sample menus for a two-week period;
- b. Certify menus annually by a registered dietitian. Menus should include a variety of food served;
- c. Provide nutritional meals that meet all licensing standards;
- d. Meet nutritional requirements according to age, gender, activity level, and any identified special physical or medical needs;
- e. Will follow Respondent's licensing/certifying agency's nutrition and food service policies and procedures, and provide a copy of same to TJJD as part of Respondent's offer;
- f. Have a Certified Food Service Manager for the site;
- g. Participate in and meet all the regulations of the National School Lunch Program/School Breakfast Program;
- h. Follow all applicable state and local sanitation and health standards;
- i. Have two on-site health department inspections during the school year or as required by NSLP/SBP;
- j. Maintain food establishment permit (if applicable);
- k. Keep temperature records for food storage, preparation, and service;
- l. Meet the Recommended Dietary Allowances from the National Research Council;
- m. Serve portions of food as indicated on menus and maintain a record of any substitutions, keeping such records on file in accordance with Respondent's licensing/certifying agency's requirements;

- n. Food production records must be completed for each meal and snack;
- o. Describe the process for the provision of special medical and religious diets, with a registered dietitian providing consultation, and how information about the diet order and service of such meals, will be documented and kept on file;
- p. Describe the system for meal quality evaluation by the registered dietitian or designated administrative staff;
- q. Follow a single menu for youth and staff (if any staff eat meals provided by the facility);
- r. Describe calorie content of the mandatory three meals and a snack provided daily with at least two hot meals daily;
- s. Withholding meals and snacks must not be used as a disciplinary measure;
- t. Describe tool and chemical control procedure; and
- u. No more than 14 hours may lapse from the beginning of supper to the beginning of breakfast.

11. For hygiene items, Service Provider must:

- a. Provide a list of hygiene items to be made available to each TJJD youth; and
- b. Provide appropriate, gender and ethnic-specific hygiene items, including ethnic hair and skin care products.

12. Treatment Services

Service Provider must provide mental health treatment services, alcohol and other drug treatment (SUS) services, and facilities that accept sex offenders and provide sexual behavior treatment services. Provider must state any specialized population they are not willing to accept or not to accept. TJJD will assume that Service Provider will accept any specialized populations not expressly listed in their proposal response as not accepted.

- a. Service Provider accepting sex offenders must provide a description of the sexual behavior treatment services they proposed to provide, including a list of resources/referrals to clinicians willing to provide treatment services.
- b. Service Provider offering SUS treatment must provide a minimum of ten (10) hours of specific Alcohol and Other Drugs (SUS) treatment programming per week. Services will include one (1) hour of weekly individual chemical dependency counseling, three (3) hours of group chemical dependency counseling, and six (6) hours of a combination of case management and treatment. SUS counseling should include a Life Skills Training/Substance Abuse Education program. This program must use an evidence-based curriculum; of which, TJJD is willing to provide training on our Pathways to Self-Discovery Change curriculum. Program Curriculum chosen must allow youth to address the underlying emotional dynamics which fuel delinquent: criminogenic behaviors, use of Alcohol or Other Drugs and the issues surrounding their psychological disorder, and effects on the family (society). Programming will also need to include Relapse Prevention Education, Family Involvement, and self-help (AA/NA) recovery programming.
- c. Show proof that the treatment provided is evidence based and appropriate for the population served and that all staff providing the program are properly trained in the treatment program offered;
- d. Provide timelines for treatment completion and treatment objectives;
- e. Provide case management through coordinated work with the TJJD Primary Service Worker and/or Parole Officer assigned, and work with families to assist in re-integration upon release;
- f. Provide trauma-informed treatment system. The system must be evidence based, address trauma discharge, support positive behaviors, and provide positive connections and youth empowerment;
- g. Provide individual counseling didactic groups and experiential groups as required components of the treatment program;
- h. Provide recreational components included in the program to emphasize team building

- and accountability;
- i. Provide measures and document each youth's progress throughout their stay. All records will be maintained by the facility and produced upon request; and
- j. Assure that TJJD staff may observe clinical services at any time.

13. Youth Rights, Youth Complaint and Resolution System, and Personal Funds

Each TJJD youth is entitled to have certain basic rights, have access to a confidential complaint system that is confidential, and have her/his personal funds handled in a safe and prudent manner and communicate with approved persons:

The Service Provider must:

- a. State the basic rights that each TJJD youth are entitled to. These rights are described in TJJD General Administrative Policy regarding Youth Rights and Remedies;
- b. Provide the privileges afforded to youth and the manner of assessing the delivery of those privileges;
- c. Follow the process for handling youth complaints, including procedures for maintaining the confidentiality of the complaint process;
- d. Agree to participate in TJJD's automated youth complaint system, as described in TJJD General Administrative Policy; and
- e. The procedures for handling youth funds;
- f. Provide Youth with phone calls to approved persons equal in time to what is provided by TJJD residential facilities; and
- g. The facility must follow reporting requirements for serious / critical incidents as described in TJJD's General Administrative Policy, Section GAP.07.03.

14. Address Location of Services to Be Performed:

Pegasus Schools, Inc



SECTION III
TJJD

For and in consideration of the services provided, TJJD shall:

1. TJJD agrees to pay the Pegasus a Daily Rate of **two hundred and fifty dollars (\$250.00)** per Youth **for Non-Secure Residential Services**.
2. Make payment in accordance with Chapter 2251 of Texas Government Code, and Texas Government Code 403.0551 that states, payment owing to the contractor under this contract will be applied toward elimination of the contractor's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Comptroller administers or collects until the indebtedness, or delinquency is paid in full. Please send invoices to tjjdinvoice@tjjd.texas.gov.
3. Determine which youth are eligible for referral to Service Provider's program and make appropriate referrals. Provide all required information for each youth referred to Service Provider.
4. Pay for a placement for a youth up to three (3) days following an escape, only if Service Provider agrees in writing that the youth can return to the program.
5. Pay health care bills authorized by the designated T JJD Staff. Provide assistance to Service Provider on Medicaid procedures.
6. Remove a youth from the program within ten (10) days when Service Provider determines that the youth can no longer remain in the program due to treatment or behavioral issues.
7. Remove T JJD youth from Service Provider's program when conditions exist that threaten the health, safety, or welfare of T JJD youth in the program.
8. Provide all required information for each youth referred to Service Provider.

SECTION IV: NOTICES AND CONTACTS

Notices shall be addressed to:

Texas Juvenile Justice Department
Office of General Counsel
P.O. Box 12757
Austin, Texas 78711

or

1711 San Jacinto Blvd
Austin, Texas 78701

Service Provider:

Pegasus Schools, Inc.,
896 Robin Ranch Road
Lockhart, Texas 78644/75007.

Service Provider Contact Information:

Keith Bradbury, Program Director and Placement Director
Pegasus Schools
896 Robin Ranch Road
Lockhart, TX 78644
Phone: (512) 432-1621
Cell: (512) 738-0070
Email: Keith.Bradbury@pegasusschool.net

TJJD Contact Information:

Jennifer Jones, Director HWH & Contract Care
P.O. Box 12757
Austin, Texas 78711 or
1711 San Jacinto Blvd,
Austin, TX 75007
Phone: (713) 942-4200
Fax: (512) 490-7252
Email: Jennifer.Jones@tjjd.Texas.gov

TJJD Point of Contact for Contract

Name: Dorene Corsentino
Phone: 512-490-7124
Email: dorene.corsentino@tjjd.texas.gov

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:

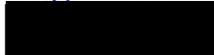


Shandra Carter, Executive Director

11/16/2023

Date

For Service Provider:



Signature

Chris Moody

Printed Name

11/15/2023

Date

SECTION V: EXHIBITS

This contract includes the following Exhibits:

1. **Attachment 1**- Execution of Offer
2. **Exhibit A** – Respondent Data Form
3. **Exhibit B** – Price Form (Revised Dated, 10/13/2023)
4. **Exhibit B1** – Assurances and Certification Form
5. **Exhibit C** – Rates, Budget, and Staffing Information and Certification Form – Budget Worksheet and Schedule 1 – Salaries, Benefits & Taxes
6. **Exhibit E** – Texas Administrative Code
7. **Exhibit F** – Performance Measures
8. **Exhibit G** – Applicable Administrative Policies
9. **Exhibit H** – Risk Management: Safety and Security Inspection
10. **Exhibit I** – Contract Care Facility Review Community – Based Medical Services

ATTACHMENT 1

EXECUTION OF OFFER

NOTE: RESPONDENT SHALL COMPLETE AND RETURN THIS EXHIBIT WITH PROPOSAL. FAILURE TO DO SO WILL RESULT IN DISQUALIFICATION OF THE PROPOSAL.

By signature hereon, Respondent certifies that:

All statements and information prepared and submitted are current, complete and accurate.

Failure to sign the Execution of Offer or signing it with a false statement shall void the submitted Offer or any resulting contracts.

Prior Disaster Relief Contract Violation. Under Section 2155.006 and 2261.053, Government Code, the vendor or contractor [Respondent] certifies that the individual or business entity named in this bid [Response] 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.

Sections 2155.006 and 2261.053 of the Texas Government Code, prohibit state agencies from accepting a response or awarding a contract that includes proposed financial participation by a person who, in the past five years, has been convicted of violating a federal law or assessed a penalty in connection with a contract involving relief for Hurricane Rita, Hurricane Katrina, or any other disaster, as defined by Section 418.004 of the Texas Government Code, occurring after September 24, 2005. Under Sections 2155.006 and 2261.053 of the Texas Government Code, Therefore, undersigned Respondent certifies that the individual or business entity named in this response 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.

Compliance with Child Support Obligation Pursuant to Texas Family Code Section 231.006

Under Section 231.006 of the Texas Family Code, Service Provider must certify 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. Therefore, to assess compliance with Texas Family Code Section 231.006: 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 a business entity to which the above does not apply, indicate with "NONE" below.

| Name: | Social Security Number: | Percent Ownership: |
|-------|-------------------------|--------------------|
| NONE | | |

Under Texas Government Code Section 669.003, relating to contracting with an executive head of a state agency, Respondent represents that (1) no person currently serves, (2) a person at any time during the four years before the date of the contract or (3) a person who employs a current or former executive head of TJJJ has served as an executive head of the Texas Comptroller of Public Accounts, TJJJ, or any other state agency involved with or that has any interest in this proposal or any contract resulting from this solicitation. If Respondent employs or has used the services of a former executive head of TJJJ or other state agency, then Respondent shall provide the following information: Name of former executive, name of state agency, date of separation from state agency, position with Respondent, and date of employment with Respondent.

Pursuant to Section 2271.002 of the Texas Government Code, Respondent certifies that either (i) it meets an exemption criterion under Section 2271.002; or (ii) it does not boycott Israel and will not boycott Israel during the term of the contract resulting from this solicitation. Respondent shall state any facts that make it exempt from the boycott certification in its Response. Respondent also certifies by signature that it is not ineligible to receive the contract pursuant to Section 2252.152 of the Texas Government Code which 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.

Advertising Of Award: The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product or service provided is endorsed or preferred by the Department or is considered by the Department to be superior to other products or services.

Immigration: Respondent represents and warrants that it shall comply with the requirements of the Immigration and Nationality Act (8 U.S.C.Â§ 1101 et seq.) and all subsequent immigration laws and amendments.

No Collusion: Offeror represents and certifies its employees, agents and representatives have not and shall not discuss or disclose the terms of their proposal and its submission or response thereto with any third party other than persons or entities which Offeror engaged to assist it with respect to such response or submission.

Respondent represents and warrants that the individual signing this Execution of Offer is authorized to sign this document on behalf of the Respondent and to bind the Respondent under any contract resulting from this Offer.
Respondent certifies that it has not been an employee of TJJJ within the last twelve (12) months.
By their signature below, Respondent acknowledges that it has read and understands the foregoing and certifies to same.

RESPONDENT (COMPANY): Pegasus School, Inc
SIGNATURE (INK): [Redacted]
NAME (TYPED/PRINTED) Chris Moody
TITLE: CEO DATE: 10/5/2023
EMAIL ADDRESS: chr3.moody@pegasus-school.net
STREET: [Redacted]
CITY/STATE/ZIP: [Redacted]
TELEPHONE AND FACSIMILE NO.: (512) 376-2101 (512) 398-2760
PAYEE IDENTIFICATION NUMBER: _____ or
FEDERAL TAXPAYER IDENTIFICATION NUMBER: [Redacted]

EXHIBIT A - RESPONDENT DATA FORM

1. Full Legal Name of Respondent: Pegasus Schools, Inc.
Federal Employer's ID: [REDACTED]
or Texas Vendor ID: _____

2. Legal Status: (Please check only one)
 Public Agency
 Private, nonprofit corporation
State of Texas
Charter Number: 1150358
 Partnership (Attach a copy of partnership agreement and a list of the names, addresses, and social security numbers of all partners.)
 Private, for profit corporation
State of _____
Charter Number: _____
 Governmental entity (please specify) _____
 Sole Proprietorship

3. Address of Respondent
[REDACTED] City [REDACTED] State [REDACTED]
[REDACTED] City [REDACTED] State [REDACTED] Zip [REDACTED]

4. Executive Director/Chief Executive Officer/Owner
Name Chris Moody
Title CEO
Phone ~~512-376-2101~~ 512-376-2101
FAX 512-398-2760
Email Chris.moody@pegasusschool.net

5. Contact Person (person who can answer questions and take calls regarding this proposal)
Name Keith Bradbury
Title Program Director
Phone 512-738-0070
FAX 512-398-2760
Email Keith.Bradbury@pegasusschool.net

EXHIBIT B - PRICE FORM
Revised Dated 10/13/2023

Proposal of: Pegasus Schools, Inc.
 (Respondent Company Name)

Ref.: Non-Secure Residential Services RFP No.: 644-23-070123

Having carefully examined all the specifications and requirements of this solicitation and any attachments thereto, the Respondent proposes to furnish the technical services required pursuant to this solicitation.

Pricing shall be per location. Respondent shall submit an Exhibit B Price Form for EACH service location. TJJJ intends to award individual contracts per location.

1. Address location (if known-must be in Texas):
 [REDACTED]

Contractor is required to maintain the contracted prices for the full initial contract term. Requests for price increases will only be accepted and evaluated by TJJJ during optional contract renewals.

Number of beds Per Day: 20

| Service | Bed Capacity | Daily Rate per youth | Total Cost |
|--|--------------|----------------------|-------------|
| Male or female juveniles ages 15-18 | 20 | \$250.00 | \$1,825,000 |
| Place total pricing from Exhibit C, page 43 in Total Cost column (1-year cost) | N/A | N/A | |
| Place total cost from Exhibit C, page 44 in Total Cost column (1-year cost) | N/A | N/A | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| | | | |
| GRAND TOTAL | N/A | N/A | \$1,825,000 |

Exhibit B 1- Assurances and Certification Form

Legal Name of Respondent: Pegasso Schools, Inc.

ASSURANCES: (If any of the assurances are marked "No", the Respondent will not be considered.)

Yes No

- 1. Respondent has no outstanding debts that would result in a lien(s) or levy(ies) to be placed on payments made to the Respondent by TJJJ.
- 2. Respondent agrees to accept training, technical assistance, and monitoring from TJJJ or its monitoring contractor throughout the contract period.
- 3. Respondent certifies that no one connected with the potential provider has participated in the development of specific criteria for this proposal.
- 4. Respondent agrees to provide TJJJ with information necessary to substantiate claims made in this application, including but not limited to on-site observation, appearance before the Proposals Evaluation Committee, third-party interviews, and inspection of records.
- 5. If Respondent uses subcontractors in the provision of services under this contract, subcontractors will adhere to and comply with the main contract.
- 6. Respondent has sufficient resources to operate for at least two months while waiting for initial reimbursement from TJJJ.
- 7. Respondent agrees to fully cooperate with TJJJ in the design, implementation and evaluation of the effectiveness of services rendered.
- 8. Respondent certifies that contracting with TJJJ does not in any way constitute a conflict of interest.
- 9. Respondent certifies that a State or Federal agency has not terminated any contract with the Respondent in the previous 12 months for deficiencies in performance.

CERTIFICATION:

I certify that the information reported in this proposal in response to TJJJ RFP # 644-23-070123 is, to the best of my knowledge, complete and accurate.

[Redacted Signature]

9/26/2003
Date

Signature of Authorized Representative/Respondent

Chris Moody

Name of Authorized Representative/Respondent (Typed or Printed)

CEO

Title of Authorized Representative/Respondent

Exhibit C

Rates, Budget, and Staffing Information and Certification Form Budget Worksheet

The Budget should be based on maximum capacity being proposed.

| | | |
|---|----------------|-----------------------------------|
| 1. Salaries, Benefits, and Taxes (complete Schedule 1) | | <u>1,394,530</u> |
| 2. Food Cost | | |
| a. Gross Food Cost | <u>106,300</u> | |
| b. Less: USDA Revenues | <u>49,000</u> | |
| c. Net Food Cost | | <u>57,300</u> |
| 3. Clothing | | <u>5,700</u> |
| 4. Recreation Fees and Supplies | | <u>27,900</u> |
| 5. Personal Care Supplies | | <u>8,200</u> |
| 6. Housekeeping | | <u>8,700</u> |
| 7. Staff Travel | | <u>1,500</u> |
| 8. Staff Training | | <u>10,900</u> |
| 9. Other Basic Care Costs (attach separate sheet with description) | | |
| 10. Assessment, Treatment and Counseling Services | | <u>8,700</u> |
| 11. Education | | <u>12,000</u> |
| 12. In-House Medical Supplies | | <u>1,500</u> |
| 13. Psychiatrist | | <u>11,900</u> |
| 14. Other Contracted Medical (attached separate sheet with description) | | |
| 15. Insurance (Auto, Liability and other) | | <u>25,000</u> |
| 16. Transportation (Gasoline, Oil, Repairs) | | <u>25,600</u> |
| 17. Auto Rental, Lease, or Depreciation | | <u>14,000</u> |
| 18. Workers' Comp <i>ADDED TO TAXES</i> | | |
| 19. Contracted Maintenance | | <u>25,100</u> |
| 20. Utilities and Telecommunications | | <u>43,400</u> |
| 21. Office Supplies | | <u>40,400</u> |
| 22. Rent of Office Equipment | | |
| 23. Other Overhead Cost (attach separate sheet with description) | | <u>33,300</u> <i>DIRECT MAINT</i> |
| 24. Building Rent, Lease, or Depreciation | | <u>23,100</u> |
| 25. Other Costs not Listed (attach separate sheet with description) | | <u>45,000</u> <i>CAPITAL</i> |
| 26. Central Office Allocated Cost | | <u>—</u> <i>REPLACEMENT</i> |
| 27. Total Cost for Proposed Program | | <u>1,823,530</u> |

Exhibit C

**Rates, Budget, and Staffing Information and Certification Form
Schedule 1 – Salaries, Benefits & Taxes**

The Budget should be based on maximum capacity being proposed.

| | <u>Number of Staff</u> | <u>Salaries</u> | <u>Benefits</u> | <u>Taxes</u> | <u>Sub-Total</u> |
|---|----------------------------|-----------------|-----------------|----------------|------------------|
| 1. Child Care Workers | <u>12</u> | <u>628,990</u> | <u>75,480</u> | <u>56,610</u> | <u>761,080</u> |
| 2. Caseworkers | <u>1</u> | <u>65,000</u> | <u>7,800</u> | <u>5,850</u> | <u>78,650</u> |
| 3. Other Basic Care | | | | | |
| 4. Treatment & Counseling* | <u>1</u> | <u>95,000</u> | <u>11,400</u> | <u>8,550</u> | <u>114,950</u> |
| 5. Food Service* | <u>0.5</u> | <u>27,500</u> | <u>3,300</u> | <u>2,480</u> | <u>33,280</u> |
| 6. Education* | | | | | |
| 7. RNs* | | | | | |
| 8. LVNs* | <u>0.75</u> | <u>37,500</u> | <u>4,500</u> | <u>3,380</u> | <u>45,380</u> |
| 9. Other Medical Staff* | <u>1</u> | <u>55,000</u> | <u>6,600</u> | <u>4,950</u> | <u>66,550</u> |
| 10. Transportation* | <u>0.5</u> | <u>22,500</u> | <u>2,700</u> | <u>2,030</u> | <u>27,230</u> |
| 11. Direct Administrative | <u>2</u> | <u>131,000</u> | <u>15,720</u> | <u>11,790</u> | <u>158,510</u> |
| 12. Maintenance Staff | <u>2</u> | <u>90,000</u> | <u>10,800</u> | <u>8,100</u> | <u>108,900</u> |
| 13. Other Staff not listed (attach separate sheet with description) | | | | | |
| Sub-Total | <u>20.75</u> | <u>1152,490</u> | <u>138,300</u> | <u>103,710</u> | <u>1,394,530</u> |
| 14. Total Salaries, Benefits, & Taxes (Line 1 on Budget Form) | | | | | <u>1,394,530</u> |

*Notes

4. Must hold Masters level or PhD in psychology, social work or related field, and hold active related license in good standing with appropriated licensing board.
5. Must hold current food handling certification.
6. Must hold a Texas Education Agency (TEA) teachers certification.
7. Must be licensed by appropriate licensing board.
8. Same as #7.
9. Same as # 7.
10. Must maintain valid driver's license and insurance.

EXHIBIT E

37 Texas Administrative Code §385.8161 (TJJD General Administrative Policy 385.8161) Notification of a Facility Opening or Relocating

- (a) Purpose. This rule provides for notification to the public and certain elected officials of the opening or relocation of certain residential facilities and parole offices operated by the Texas Juvenile Justice Department (TJJD).
- (b) Applicability. This rule does not apply to:
- (1) facilities that were in operation, under construction, under contract for operation or construction, or planned for operation on land owned or leased for that purpose on September 1, 1997;
 - (2) facilities that were in operation prior to the establishment of a residential area as described in subsection (e)(1) of this section;
 - (3) temporary facilities that will operate less than one year at the location;
 - (4) expansion of existing facilities;
 - (5) facilities that will not operate primarily for use as a correctional or rehabilitation facility, but will house TJJD youth only for a treatment or educational purpose;
 - (6) facilities that require, before operation, special or conditional use permits from the municipality in which the facility will operate; and
 - (7) parole offices located in commercial use areas; and
 - (8) any other facility described in §244.006 of the Texas Local Government Code.
- (c) Notice. Except as provided in subsection (e) of this section, TJJD will provide notice as soon as practical before beginning operation or construction of a TJJD residential facility or parole office. The notice must:
- (1) include the proposed address and a general description of the facility or office;
 - (2) be published in a newspaper of general circulation in the county in which the proposed facility or office is to be located and include where public comment on the proposal may be sent for review; and
 - (3) be mailed to each city council member, county commissioner, state representative, and state senator who represents the area in which the proposed facility or office is to be located.
- (d) Public Meeting. Upon request by one of the elected officials identified in subsection (c)(3) of this section, TJJD will hold a public meeting to inform the public about the proposed residential facility or parole office and to receive public comment.
- (e) Sixty-Day Notice for Sites 1,000 Feet from Designated Places and When Written Notice is Received by a Local Governmental Entity.
- (1) Pursuant to §244.002 of the Local Government Code, 60 days before beginning construction or operation, whichever occurs first, of a TJJD residential facility or parole office within 1,000 feet of a residential area, primary or secondary school, park or public recreation area, or place of worship, TJJD will mail notice of the proposed location to the commissioners court and governing body of the municipality. The notice must:
 - (A) state TJJD's intent to construct or operate a correctional or rehabilitation facility within the area described in subsection (e)(1) of this section;
 - (B) describe the proposed location of the facility; and
 - (C) state that Chapter 244, Subchapter A, of the Texas Local Government Code governs the procedures for the notice of and consent to the operation of the facility.
 - (2) TJJD must prominently post an outdoor sign at the proposed location of the facility stating that a correctional or rehabilitation facility is intended to be located on the premises and providing the name and business address of the entity. The sign must be at least 24 by 36 inches in size and must be written in lettering at least two inches in size. The sign may be in both English and a language other than English if required by the municipality or county.
- (f) Denial of Consent to Operate. A residential facility or parole office operated by TJJD that is subject to the 60-day notice requirement of subsection (e) of this section may not be operated at the proposed location if not later than the 60th day after the date on which notice is received by a commissioners court or governing body as provided for in subsection (e) of this section, the commissioners court or governing body determines by resolution after a public hearing that the operation of the TJJD residential facility or parole office at the proposed location is not in the best interest of the county or municipality.

Source Note: The provisions of this §385.8161 adopted to be effective October 1, 1997, 22 TexReg 9478; amended to be effective December 16, 1999, 24 TexReg 10893; amended to be effective December 14, 2003, 28 TexReg 11098;

transferred effective June 4, 2012, as published in the Texas Register June 22, 2012, 37 TexReg 4639; amended to be effective October 1, 2016, 41 TexReg 7123.

EXHIBIT F

Performance and Quality of Service Measures for Residential Contract Programs

MEASURE OF PERFORMANCE AND QUALITY OF SERVICES

The Texas Juvenile Justice Department has adopted a system of evaluating program effectiveness and promoting continuous improvement by monitoring compliance with the contract agreement; identifying and monitoring targeted performance measures; evaluating the quality of service delivery; requiring corrective action for any identified area of deficiency; setting and modifying goals to maximize performance and sustaining continuous improvement.

Performance Measures

The following measures are for evaluating residential programs:

1. **Percent Positive Releases**
Percent positive releases will be defined as the percentage of persons released from the program by either being discharged from the agency or receiving a permanent assignment to another less restrictive program as defined by agency policy.
2. **Percent Negative Releases**
Percent negative releases will be defined as the percentage of persons releases from the program receiving a permanent assignment to another more restrictive program, or who are discharged from the agency due to further involvement in the juvenile or criminal court system.
3. **Escapes Per Year Per 10 Students**
The number of escapes from the program per year divided by the Average Daily Population divided by 10.
4. **Percent Escapes**
The percentage of youth permanently assigned to the program who escaped at least once.
5. **Felony Arrests Per Year Per 10 Students**
Felony arrests per year per 10 students will be measured by the number of arrests of students for felonies for the year divided by the Average Daily Population divided by 10.
6. **Misdemeanor Arrests Per Year Per 10 Students**
Misdemeanor arrests per year per 10 students will be measured by the number of arrests of students for misdemeanors for the year divided by the Average Daily Population divided by 10.
7. **Confirmed Mistreatment Per Year Per 10 Students**
Confirmed mistreatments during the measurement period divided by the ADP during that period divided by 10. Only Major Rule Violation allegations that are confirmed will be included in the measure.
8. **Percent Early Movement**
Percentage of youth exiting the program within 30 days.

Performance measures are determined for each quarter in the State fiscal year. A performance profile will be sent out to the Provider 4 times a year, and a corrective action plan (i.e. setting a numerical goal to achieve during the next quarter along with the action plan to meet that goal) will be required for all areas of deficiency. In addition to the 8 identified measures above, the Provider will also be required to identify at least 1 additional successful youth completion outcome measure (quantifiable).

EXHIBIT G

Applicable General Administrative Policies (GAP) as of RFP Issuance

Below are applicable TJJJ General Administrative Policies (GAP(s)), however, these are subject to change and this is not to be taken as an exhaustive list.

| GAP # | Title of Standard | Standard Summary & Provider Responsibilities |
|----------|---|--|
| 07.03 | Incident Reporting | <ul style="list-style-type: none"> ▪ Policy: Incidents must be properly documented and reported. Critical incidents, serious incidents, and suspected mistreatment of youth must be reported immediately to the Office of Inspector General-Incident Reporting Center (IRC) ▪ Provider Responsibilities: (1) notify the IRC by telephone immediately when a staff member has cause to believe that a youth has been a victim of abuse, neglect, or exploitation or who witnesses a critical or serious incident; (2) notify the TJJJ Case Management Specialist (CMS) by telephone immediately after calling the IRC; (3) submit the Initial Report of Serious Incident (CCF-351) within 24 hours to the TJJJ Director of Halfway Houses & Contract Facilities; (4) within 72 hours of a critical incident, submit the Critical Incident Debriefing (CCF-355) to the TJJJ Director of Halfway Houses & Contract Facilities; (5) submit written report to TJJJ's CMS for major rule violations by youth, parole rule violations, use of force and/or non-routine use of mechanical restraints |
| 07.33 | Notification for Investigations Conducted by Administrative Investigations Division | <ul style="list-style-type: none"> ▪ Policy: when the Administrative Investigations Division (AID) opens or closes a case, appropriate parties are notified in a timely manner ▪ Provider Responsibilities: (1) initiates corrective or disciplinary action (against staff) when an allegation has been confirmed by AID |
| 380.8557 | Release Review Panel | <ul style="list-style-type: none"> ▪ Purpose: establishes a Release Review Panel (RRP) to determine whether a youth who has completed his/her minimum length of stay (MLOS) should be discharged from the custody of TJJJ, released under supervision, or given an extended length of stay. This rule also establishes a process to request reconsideration or an order issued by the RRP ▪ Provider Responsibilities: (1) 30 days prior to the expiration of the youth's MLOS, the progress review/multi-disciplinary team must determine whether or not the youth meets program completion criteria and notify parent/guardian, youth, and CMS of RRP referral; (2) provide information (to the CMS) relevant to the decision on whether the youth is in need of additional rehabilitation in a residential placement; (3) before a youth completes an extension length of stay (ELOS), the progress review team/MDT must review whether the youth has met or is likely to meet program completion criteria on or before the completion of his/her ELOS; (4) can request (via the CMS) a request for reconsideration in writing to the panel within calendar days after the date of written notice explaining the reason for the extension; (5) can request (via CMS) reconsideration of a release or discharge order at any time prior to the youth's release or discharge if new information becomes available |
| 380.8705 | Family Involvement | <ul style="list-style-type: none"> ▪ Purpose: establish the amount and type of involvement TJJJ encourages and seeks with the families of TJJJ youth ▪ Provider Responsibilities: (1) parent notifications-written notification of the youth's placement, name of the youth's case manager; instructions on contacting the youth's case manager; rights and rules about visitation, mail and telephone; rules about personal property; rules about sending money to the youth; and copies of the individual case plans (ICPs); (2) youth 18 and older must give written consent for information to be disclosed to a parent/guardian; (3) seek input from the family for the youth's ICP; encourage families to communicate concerns, visit their child and prepare the youth's return home, counsel (when possible) parents/guardians in preparation for the youth's return; encourage youth to communicate with families by letter and/or telephone; refer (when possible) families to other agencies that provide services needed by the families; (4) allow youth to have visitation with their parent/guardian subject to the safe and secure operations of the program |
| 380.8785 | Sex Offender Registration | <ul style="list-style-type: none"> ▪ Purpose: to provide criteria and procedures to ensure compliance with sex offender registration as provided in Chapter 62 of the Texas Code of Criminal Procedure, regarding registration of sex offenders who are in the custody of TJJJ ▪ Provider Responsibilities: (1) notify the CMS when a youth has successfully completed treatment for the sex offense; (2) notify the CMS if a youth does not complete treatment for sex offenses; (3) notify the CMS any changes which affect proper supervision of the youth such as name changes, changes to physical health, job, incarceration, or conditions of parole |
| 380.9103 | Living Environment | <ul style="list-style-type: none"> ▪ Purpose: to establish basic physical plan requirements for the living areas within TJJJ residential facilities ▪ Provider Responsibilities: (1) heating, ventilation, lighting, and acoustical systems provide for comfortable living and working conditions for youth and staff; (2) youth access to drinking water on all housing units |
| 380.9113 | Food and Nutrition | <ul style="list-style-type: none"> ▪ Purpose: establish standards to ensure that TJJJ provides food services to meet the basic nutrition needs of its youth ▪ Provider Responsibilities: (1) menu reviewed annually by a dietician; (2) single menu for staff and youth; (3) medical diets provided as prescribed by appropriate medical or dental personnel; (4) religious diets provided when a youth's religious beliefs require adherence to |

| | | |
|----------|---|---|
| | | religious dietary laws; (5) youth served 3 meals and a snack daily; at least 2 meals being hot; (6) no more than 14 hours between scheduled start time between evening meal and the following day's breakfast meal; (7) implement a system for determining and responding within reason to youth food preferences |
| 380.9117 | Structured Activity and Recreation | <ul style="list-style-type: none"> ▪ Purpose: to provide for structured activity and recreation programs for youth as a vital and essential aspect of individual development and as opportunity for appropriate social interaction ▪ Provider Responsibilities: (1) facility schedule that includes at least 1 hour of large muscle exercise 7 days a week in high restriction facilities and 5 days a week in medium restriction facilities; (2) facility schedule that includes structured recreational activities or leisure-time activities 1 each day in high restriction facilities and 2 hours a day in medium restriction facilities; (3) have a variety of indoor and outdoor recreational activities as weather permits; (4) fixed and moveable recreation equipment and adequate indoor and outdoor recreation and activity space; (5) written schedule of large-muscle exercise activities |
| 380.9121 | Moral Values, Worship, and Religious Education | <ul style="list-style-type: none"> ▪ Purpose: to provide youth with the opportunity to participate in worship and religious education and to develop and internalize a set of personal moral and spiritual values ▪ Provider Responsibilities: (1) follow the religious preference for the youth identified by TJJD; (2) provide youth the opportunity (reasonable access) to participate (voluntarily) in religious education programs, services, and counseling; (3) provide access to personal clergy for a youth's faith group |
| 380.9183 | Health Care Services for Youth | <ul style="list-style-type: none"> ▪ Purpose: establishes basic criteria, standards, and guidelines for delivering health care services to youth assigned to certain identified contract care programs ▪ Provider Responsibilities: youth receive physical and dental examinations annually and treatment as needed |
| 380.9301 | Basic Youth Rights | <ul style="list-style-type: none"> ▪ Purpose: establish certain basic rights that are recognized for each youth in TJJD. The basic rights accorded each TJJD youth are not absolute and may be limited to the extent reasonably necessary for TJJD youth to discharge its statutory responsibilities with respect to public protection, treatment, care, and supervision. ▪ Provider Responsibilities: (1) provide for religious activities; (2) allow for visitation with immediate family members; (3) allow youth to correspond via mail and telephone; (4) provide adequate food, clothing, and shelter |
| 380.9311 | Access to Attorneys and Courts | <ul style="list-style-type: none"> ▪ Purpose: to provide for youth access to any attorney or court through the use of mail, telephone, and visitation ▪ Provider Responsibilities: (1) provide for confidential communication via telephone, mail or in person visitation with attorneys, attorney staff, or court staff |
| 380.9313 | Use of Telephone | <ul style="list-style-type: none"> ▪ Purpose: provides TJJD youth with reasonable access and equal opportunities within a facility to use the telephone for purposes of contacting their families, IRC, and OIO ▪ Provider Responsibilities: (1) allow for one non-emergency call per week with family members; (2) allow calls for/to family emergency, IRC and OIO calls whenever possible; however, can require youth to wait until the end of the currently scheduled activity |
| 380.9315 | Youth Mail | <ul style="list-style-type: none"> ▪ Purpose: to establish rules for promoting open mail communication for youth in residential facilities and to establish limitations on youth mail only as necessary for safety and security and for the protection of youth from improper influences ▪ Provider Responsibilities: (1) incoming or outgoing mail will not be read or censored; (2) incoming mail can be opened and inspected for contraband in the youth's presence; (3) outgoing mail may be inspected for contraband prior to sealing; (4) provide postage and stationary for at least 3 one-ounce domestic letters per week; (5) distribute incoming mail to the youth within 24 hours [excluding weekends, national and state holidays]; (6) outgoing letters are deposited for delivery within 24 hours after a staff member receives the letter from the youth; (7) notify youth when incoming mail is returned to the sender and when outgoing mail is not deposited for delivery |
| 380.9317 | Visitation with Personal Clergy | <ul style="list-style-type: none"> ▪ Purpose: to provide youth with privileged access to their personal clergy ▪ Provider Responsibilities: (1) allow youth visits (any day of the week after reasonable arrangements have been made) with personal clergy after the relationship has already been verified by TJJD |
| 380.9333 | Investigation of Alleged Abuse, Neglect, and Exploitation | <ul style="list-style-type: none"> ▪ Purpose: provides for the administrative investigations of abuse, neglect, or exploitation in programs and facilities under TJJD jurisdiction. This rule also provides standards for investigations and for the compilation of investigation information. The purpose of all provisions in this rule is the protection of youth ▪ Provider Responsibilities: (1) report alleged abuse, neglect and exploitation to the TJJD Incident Reporting Center(IRC) via phone; (2) take any necessary steps to protect the youth and to preserve evidence that may be pertinent to an investigation of the matter; (3) notify the youth's parent of the report and notify the youth if the report was made by a third party; (4) determine whether the person accused of wrongdoing must be suspended, temporarily reassigned or temporarily barred from the facility (5) within 24 hours of being made aware of an alleged abuse, neglect, or exploitation incident, submit a written report (CCF-351) to the TJJD Director of Halfway Houses & Contract Facilities; (6) take any action necessary to ensure that the investigation or review is conducted with the full cooperation of staff and youth that adequate resources are provided, and that the youth and witnesses are protected from retaliation or improper influences |

| | | |
|----------|---|--|
| 380.9337 | Zero Tolerance for Sexual Abuse, Sexual Activity, and Sexual Harassment | <ul style="list-style-type: none"> ▪ Purpose: to establish TJJD’s zero tolerance policy for any form of sexual abuse, sexual harassment, or sexual activity involving youth in the agency’s care. This rule addresses TJJD’s obligation under federal Prison Rape Elimination Act (PREA) standards for preventing, detecting, and responding to sexual abuse and sexual harassment ▪ Provider Responsibilities: (1) develop a written policy mandating zero tolerance toward all forms of sexual abuse and sexual harassment and outlining the program’s approach to preventing, detecting, and responding to such conduct; (2) adopt and comply with the PREA standards OR <i>demonstrate a commitment to be PREA compliant and be actively and effectively working toward achieving compliance with all the Standards</i>; (3) allow for TJJD monitoring to ensure that the contractor is complying with the PREA standards |
| 380.9353 | Appeals to the Executive Director | <ul style="list-style-type: none"> ▪ Purpose: to permit TJJD youth and their parents or guardians to appeal decisions made by TJJD or contract program employees to the TJJD executive director ▪ Provider Responsibilities: permit TJJD youth to appeal [to TJJD’s executive director] decisions made by program staff |
| 380.9909 | Access to Youth Information and Records | <ul style="list-style-type: none"> ▪ Purpose: establish controls on access to TJJD youth records and information in compliance with federal and state laws and regulations that limit access to youth records ▪ Provider Responsibilities: records and information concerning youth: (1) must be marked “confidential,” (2) must remain in the custody and control of authorized personnel at all times; (3) may not be disclosed except as allowed by law; and (4) must be stored and transported in a manner that ensures security and confidentiality. Further: (1) access to youth records that contain certain information identifying the youth as chemically dependent or as a substance abuser may be disclosed only as provided in 42 CFR Part 2, which is more restrictive; (2) Drug and alcohol information that may not be released includes any information that would identify the youth as an alcohol or drug abuser or obtained for the purpose of treating alcohol or drug abuse, making a diagnosis for that treatment, or making a referral for that treatment; (3) at the time of admission youth diagnosed as alcohol or drug abusers must be informed that federal laws protect the confidentiality of their alcohol and drug abuse records and be given a written copy of the summary of the federal law and regulations; and (4) if a document contains information regarding alcohol and drug abuse but it also contains other information that may appropriately be released, alcohol and drug abuse information must be redacted unless appropriate release forms have been completed |
| 385.8137 | Media Access | <ul style="list-style-type: none"> ▪ Purpose: to allow for communication between TJJD youth and the media subject to rules established by TJJD in the interest of order and safety and within limitations of rules of confidentiality ▪ Provider Responsibilities: (1) do not release records or divulge of information that is confidential by law or which identifies individual youth; (2) get TJJD and parental consent prior to allowing news media requests for youth interviews; (3) get youth’s signature on a public release form for interviews and filming and let them know that the interview is voluntary, the youth can refuse to answer any questions during the interview, and can stop the interview at any time |
| 385.8181 | Background Checks | <ul style="list-style-type: none"> ▪ Purpose: TJJD reviews criminal histories and employment references for certain persons as required by §242.010 of the Texas Human Resources Code ▪ Provider Responsibilities: (1) ensure that all employees, contractors, and subcontractors who will routinely work with/around TJJD youth have been cleared by DFPS; completed and signed the TJJD HR-028 form; submit this completed form to the TJJD Youth Services Contracts Manager; await the TJJD criminal record check results from TJJD; have those “eligible” staff fingerprinted via MorphoTrust using TJJD’s ORI#; (2) file the “eligible” form along with the fingerprint receipt in the employees file and send TJJD a copy of the receipt upon request; (3) don’t allow “ineligible” persons to work with or around TJJD youth |
| 385.9941 | Response to Ombudsman Reports | <ul style="list-style-type: none"> ▪ Purpose: to establish procedures for TJJD to review and comment on reports issued by the Office of the Independent Ombudsman (OIO) for TJJD ▪ Provider Responsibilities: (1) upon receipt of an OIO site visit report (that identifies issues impacting TJJD youth) submit a response or action plan to the TJJD Youth Services Contracts Manager within 3 days. TJJD will send the official response to the OIO within 5 days |
| 385.9951 | Death of a Youth | <ul style="list-style-type: none"> ▪ Purpose: to establish requirements for notification, investigation, and reporting in the event of the death of a youth who is committed to the jurisdiction of TJJD ▪ Provider Responsibilities: (1) follow the responsibilities outlined in the incident reporting policy (GAP.07.03) |

EXHIBIT H

Risk Management: Safety and Security Inspection

| |
|---|
| Is there a current fire safety inspection of the facility conducted by the authority having jurisdiction (local or state fire marshal)? |
| Are fire extinguishers easily accessible, inspected in-house monthly, and inspected by a licensed vendor annually? |
| Are fire alarm panels easily accessible, in "systems normal" status, and inspected/certified by a licensed vendor annually? |
| Are the emergency back-up batteries located within the fire alarm panel operable (replaced every three years)? |
| Are sprinkler systems inspected by a licensed vendor as required and in operable condition (not blocked and free from debris)? |
| Are smoke and/or heat detectors in operable condition (not blocked and free from debris)? |
| Are fire alarm pull stations and audio/visual fire strobes free from obstruction and in operable condition? |
| Is the kitchen vent-a-hood fire suppression system inspected semi-annually as required and are the nozzles free of grease build-up and debris? |
| Is a Class K fire extinguisher located in the kitchen with a placard in place to indicate its use in case of the vent-a-hood fire suppression system failure? |
| Do exterior exhaust fans operate as designed (no broken belts or inoperable motors)? |
| Is the emergency back-up generator in operable condition (Inspected weekly, exercised under a load monthly, and transfer switches operated monthly)? |
| Do furnishings, mattresses, pillows, bedding, carpets, floor coverings and decorations meet applicable flammability and/or fire-retardant standards? |
| Are evacuation maps posted and oriented to the building correctly? |
| Are battery back-up emergency lighting fixtures operable? |
| Is emergency lighting connected to generator power operable? |
| Are all keys necessary for unlocking doors installed in a means of egress individually identified by both touch and sight? |
| Are exit signs continuously illuminated? |
| Are emergency exit doors clear (not blocked) and capable of opening? |
| Are exit pathways clear from obstruction and properly lighted? |
| Are Fire Department Connections located on the building clearly marked and access not being blocked? |
| Are fire hydrants in operable condition, all caps in place, and access not being blocked? |
| Does the facility have any open maintenance request regarding life safety equipment issues? |
| SECURITY |
| Are locking systems functioning and operable? |
| Are control panels functioning and operable? |
| Are intercoms/call buttons functioning and operable? |
| Are doors kept secure when not in use? |
| Are perimeter security fences inspected? There are no apparent holes, cuts, missing tie wires, or other breaches? |
| Is perimeter lighting inspected and operable? |
| Are manholes, grates and other confined spaces secured? |
| Are windows and screens in good condition (not broken or torn)? |
| Do all fixed video cameras provide clear, unobstructed views? Are blind spots identified and minimized where possible? |
| Are all security alarms operable (Perimeter fence, doors and windows)? |
| Does the facility have a practice or procedures in place for the control of tools, keys, restraints and chemical agents? |
| Does the facility have any open maintenance request regarding security equipment issues? |
| LIFE SAFETY TRAINING |
| Are employees trained in the proper use of portable fire extinguishers and other manual fire suppression equipment? Training shall be provided to new staff promptly upon commencement of duty and not less than annual intervals for existing staff. Documentation of the training must be provided. |
| Are employees trained in fire drill procedures? The drills shall be held with sufficient frequency to familiarize occupants with the drill procedure and to establish conduct of the drill as a matter of routine. Fire drills shall be held at expected and unexpected times and under varying conditions to simulate the unusual conditions that can occur in an actual emergency. Drill participants shall relocate to a predetermined location and remain at such location until a recall or dismissal signal is given. Training shall be provided to new staff promptly upon commencement of duty. Documentation of the training must be provided. |
| Are employees trained in First Aid and CPR? Is at least one trained person on duty at all times? Training shall be provided to new staff promptly upon commencement of duty and not less than annual intervals for existing staff. Documentation of the training must be provided. |
| Are employees trained in emergency action plans to include evacuations and medical emergencies? Training shall be provided to new staff promptly upon commencement of duty and not less than annual intervals for existing staff. Documentation of the training must be provided. |
| FIRST AID |
| Is the Automated External Defibrillator (AED) kit complete and checked daily? |
| Is there a first aid kit available, properly stocked and sealed? |
| Is there a complete blood-borne spill kit readily available? |
| Is there a complete rescue kit readily available? |
| Is there a current listing of emergency phone numbers and contacts readily available? |
| CHEMICALS |

| |
|--|
| Does the facility have a practice or procedures in place for the control of chemicals? |
| Are chemicals, regardless of hazard rating, stored and labeled properly? |
| Are hazardous chemicals stored outside of the facility and kept clear from the housing units? |
| Are Material Safety Data Sheets (MSDS) maintained for all hazardous chemicals stored and used by the facility? |
| MAINTENANCE/SANITATION |
| Are acceptable levels of housekeeping being maintained? |
| Is the facility being well maintained (HVAC, lighting, toilets, showers, lavatories, walls, floors, ceilings and other furnishings)? |
| Does the facility have any open maintenance request regarding routine maintenance? |
| Does the facility have a practice or procedures for a preventive maintenance program? |

**EXHIBIT I CONTRACT CARE FACILITY REVIEW
COMMUNITY-BASED MEDICAL SERVICES**

| Facility: | | Review Date: | | |
|------------------|---|---------------------|-----------------|--|
| | QUALITY ASSURANCE | SCORE | COMMENTS | CORRECTIVE ACTION PLAN REQUIRED |
| 1 | The facility employs a health care coordinator who is either licensed to provide health care services or is trained in health care delivery by a health care professional. | | | |
| 2 | All facility health care policies, procedures, and forms are developed in consultation with a health care professional (at least the level of a registered nurse - RN) and signed/dated by the facility executive director. | | | |
| 3 | Health care policies, procedures, and protocols are reviewed, signed, and dated at least every two years. | | | |
| 4 | If a nurse is on contract, current licensure is verified. | | | |
| 5 | Medical and mental health records are secured, and access is appropriately restricted. | | | |
| 6 | The health care delivery/medication administration area is clean, neat, and uncluttered. | | | |
| 7 | Medications are stored appropriately in a locked area. Controlled medications are stored behind two locks. | | | |
| 8 | An inventory of controlled medications is documented by two staff every shift. A key control procedure is in place. | | | |
| 9 | Youths' prescription medication is administered and monitored in accordance with medical/dental, psychiatric provider instructions. Documentation is provided in accordance with written local procedures. | | | |

**EXHIBIT I CONTRACT CARE FACILITY REVIEW
COMMUNITY-BASED MEDICAL SERVICES**

| | Facility: | | Review Date: | |
|-----------|---|--------------|---------------------|--|
| 10 | Over-the-counter (OTC) medications are administered in accordance with written protocols that are signed and dated by a medical provider. Documentation and youth monitoring are provided in accordance with protocol instructions. | | | |
| 11 | Daily medication logs include the following information: date, time, youth name and TJJD #, medication order (including the name, dose, and frequency of medication), and staff signature/initial and title. | | | |
| 12 | A medication error reporting and documentation process is in place. | | | |
| 13 | Facility staff ensure the proper disposal of expired, wasted, or unused medication. | | | |
| 14 | Medical instruments and supplies (e.g., syringes/needles, other sharps) are securely stored, controlled, and inventoried every shift by two staff. | | | |
| 15 | Written guidelines address youth and staff hygiene/handwashing and standard/universal precautions. | | | |
| 16 | A process is in place to ensure the safe handling and/or disposal of used needles, sharps, and blood spills. | | | |
| | ACCESS TO HEALTH CARE | SCORE | COMMENTS | CORRECTIVE ACTION PLAN REQUIRED |
| 17 | Each youth will have physical and dental examinations as per facility policy and TJJD contract. | | | |

**EXHIBIT I CONTRACT CARE FACILITY REVIEW
COMMUNITY-BASED MEDICAL SERVICES**

| | Facility: | | Review Date: | |
|-----------|---|--|---------------------|--|
| 18 | Youth receive TJJJ required immunizations: <ul style="list-style-type: none"> • 3 polio, • 2 MMR, • 3 TD and booster every 10 years, • 3 Hep B, • 2 Varicella or documentation of history of disease, • 3 HPV, • 1 MCV4 + 1 booster. (No booster required if primary vaccination occurred at 16 or greater years of age. Booster to be given at 16 - 18 years of age. No booster given if youth is over 18 years of age), • Influenza immunization, annually. | | | |
| 19 | A process is in place for youth to report health concerns. | | | |
| 20 | Follow up on health care provider orders and identified health care needs is documented. | | | |
| 21 | An organized method and format of recording data in the health record is evident. | | | |
| 22 | Health care encounters, including medical and mental health interviews, examinations, and procedures are conducted in a setting that respects the youth's privacy. | | | |
| 23 | Policies and procedures regarding consent to medical treatment are followed, as applicable. | | | |
| 24 | Youth have access to non-emergency health care, including primary and specialty care, dental care, and mental health services. | | | |
| 25 | Youth have 24-hour access to emergency care (medical, dental, and mental health). | | | |

**EXHIBIT I CONTRACT CARE FACILITY REVIEW
COMMUNITY-BASED MEDICAL SERVICES**

| Facility: | | Review Date: | | |
|------------------|---|---------------------|-----------------|--|
| 26 | A written list of referral sources including emergency and routine care is available and updated as needed. | | | |
| | SAFETY | SCORE | COMMENTS | CORRECTIVE ACTION PLAN REQUIRED |
| 27 | All staff with responsibility for youth supervision is trained to respond to health related emergencies. The training program is conducted on an annual basis and includes at a minimum: 1) recognition of signs and symptoms and knowledge of actions required in potential emergency situations; 2) basic first aid and CPR certification; and 3) suicide risk prevention and intervention procedures. | | | |
| 28 | Medication Administration training is developed by a registered nurse (RN), physician, or pharmacist and delivered by a licensed health care professional to all non-medical staff who administer medication. Evidence of annual training is available for review. | | | |
| 29 | If a RN is employed or contracted to provide onsite clinical services at the facility and non-medical staff administer medication to youth, Medication Administration Training includes all information required by the Memorandum of Understanding (MOU) between TJJJ and the Texas Board of Nursing (BON). | | | |
| 30 | All personnel files document current CPR certification. | | | |

**EXHIBIT I CONTRACT CARE FACILITY REVIEW
COMMUNITY-BASED MEDICAL SERVICES**

| | | | | |
|-----------|--|--------------|---------------------|--|
| | Facility: | | Review Date: | |
| 31 | A first aid kit is available to staff and not accessible to youth. The first aid kit is clearly marked and secured with a plastic lock. | | | |
| 32 | The first aid kit(s) is/are monitored by staff and restocked as needed. | | | |
| | CONTINUITY OF CARE | SCORE | COMMENTS | CORRECTIVE ACTION PLAN REQUIRED |
| 33 | Each youth receives an initial health screening within 24 hours after admission to identify chronic and/or acute health care needs. | | | |
| 34 | A process is in place and implemented to ensure that staff are notified of medical restrictions, diets, and other special health care needs. | | | |
| 35 | Discharge Summaries/Discharge ICPs address ongoing health care and treatment needs of youth. The <i>Texas Uniform Health Status Update for Juvenile Offenders</i> form, GEN-401, and pertinent medical records are sent with youth who are transferring to a TJJJ-operated facility. | | | |

TERMS AND CONDITIONS

1. Americans with Disabilities Act and Equal Employment Opportunity

Service Provider represents and warrants its compliance with the requirements of the Americans With Disabilities Act (ADA) and its implementing regulations, as each may be amended.

2. Antitrust Affirmation

The undersigned affirms under penalty of perjury of the laws of the State of Texas that (1) in connection with this Contract, neither I nor any representative of the Service Provider have violated any provision of the Texas Free Enterprise and Antitrust Act, Tex. Bus. & Comm. Code Chapter 15; (2) in connection with this Contract, neither I nor any representative of the Service Provider have violated any federal antitrust law; and (3) neither I nor any representative of the Service Provider have directly or indirectly communicated any of the contents of this Contract to a competitor of the Service Provider or any other company, corporation, firm, partnership or individual engaged in the same line of business as the Service Provider.

3. Assignment

Service Provider shall not assign its rights under the contract or delegate the performance of its duties under the contract without prior written approval from TJJD. Any attempted assignment in violation of this Section is void and without effect.

4. Building Inspection

Service Provider specifically covenants and warrants that the space will at all times comply with the Texas State Fire Marshal's Office in accordance with NFPA 1, Fire Code. TJJD reserves the right to have the State Fire Marshal inspect the facility. TJJD shall require any contractor to report all findings of any inspection, whether deficient or compliant, for the building for any inspection, test, or maintenance of Fire Protection Equipment and/or systems that results in the placement of a yellow or red tag. Any deficiencies must be corrected promptly and that failure to do so is grounds for TJJD to terminate the agreement.

5. Buy Texas Affirmation

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.

6. Change in Law and Compliance with Laws

Any alterations, additions, or deletions to the terms of the contract that are required by changes in federal or state law or regulations are automatically incorporated into the contract without written amendment hereto, and shall become effective on the date designated by such law or by regulation.

7. Child Support Obligation Affirmation, 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. **FEDERAL PRIVACY ACT NOTICE:** This notice is given pursuant to the Federal Privacy Act. Disclosure of your Social Security Number (SSN) is required under Section 231.006(c) and Section 231.302(c)(2) of the Texas Family Code. The SSN will be used to identify persons that may owe child support. The SSN will be kept confidential to the fullest extent allowed under Section 231.302(e), Texas Family Code.

8. INTENTIONALLY LEFT BLANK

9. 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 the 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 sanctions.

10. Compliance with the Prison Rape Elimination Act of 2003 (PREA)

Service Provider shall comply with the Prison Rape Elimination Act of 2003 (PREA) (34 U.S.C. 30301 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.

11. Computer Equipment Recycling Program

Service Provider certifies its compliance with Subchapter Y, Chapter 361 of the Texas Health and Safety Code and the Texas Commission on Environmental Quality rules in 30 TAC Chapter 328.

12. Confidentiality and Security

Section 1: Service Provider agrees that all of its employees, contractors, subcontractors, or associates will comply with all state and federal law and with TJJJ policies regarding maintaining the confidentiality of TJJJ youth, including, but not limited to, maintaining 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, contractors, subcontractors, or associates 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.

13. 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, or 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 TJJJ contract identification number, or increase the "not to exceed" amount (if applicable) necessary for continuation of services.

14. Contracting Information Responsibilities

In accordance with Section 552.372 of the Texas Government Code, Service Provider agrees to (1) preserve all contracting information related to the contract as provided by the records retention requirements applicable to the TJJJ for the duration of the contract, (2) promptly provide to the TJJJ any contracting information related to the contract that is in the custody or possession of the Service Provider on request of the TJJJ, and (3) on termination or expiration of the contract, either provide at no cost to the TJJJ all contracting information related to the contract that is in the custody or possession of the Service Provider or preserve the contracting information related to the contract as provided by the records retention requirements applicable to the TJJJ. Except as provided by Section 552.374(c) of the Texas Government Code, the requirements of Subchapter J, Chapter 552, Government Code, may apply to the contract and the Service Provider agrees that the contract can be terminated if the Service Provider knowingly or intentionally fails to comply with a requirement of that subchapter.

15. COVID-19 Vaccine Passport Prohibition

Service Provider certifies that it does not require its customers to provide any documentation certifying the customer's COVID-19 vaccination or post-transmission recovery on entry to, to gain access to, or to receive service from the Service Provider's business. Service Provider acknowledges that such a vaccine or recovery requirement would make Service Provider ineligible for a state-funded contract.

16. INTENTIONALLY LEFT BLANK

17. Cybersecurity Training

Service Provider represents and warrants that it will comply with the requirements of Section 2054.5192 of the Texas Government Code relating to cybersecurity training and required verification of completion of the training program.

18. Damage to Government Property

Service Provider shall be liable for all damage to government-owned, leased, or occupied property and equipment caused by the Service Provider and its employees, agents, subcontractors, and suppliers, including any delivery or cartage company, in connection with any performance pursuant to the contract. Service Provider shall notify the TJJJ in writing of any such damage within one (1) calendar day. Service Provider is responsible for the removal of all debris resulting from work performed under the contract.

19. Data Management and Security Controls

In accordance with Section 2054.138 of the Texas Government Code, Service Provider certifies that it will comply with the security controls required under this contract and will maintain records and make them available to Agency as evidence of Service Provider's compliance with the required controls.

20. Dealings with Public Servants Affirmation

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.

21. Debts and Delinquencies Affirmation

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.

22. Disaster Recovery Plan

In accordance with 13 TAC § 6.94(a)(9), Service Provider shall provide to TJJJ the descriptions of its business continuity and disaster recovery plans if it has or is to have custody of vital state records.

23. INTENTIONALLY LEFT BLANK

24. Disentanglement Services

(a) The following definitions are incorporated into the contract and relevant to this Article:

- (1) **Disentanglement Period** - the period of time during and after the contract terminates that is necessary to provide disentanglement services.
- (2) **Disentanglement Services** - the obligations of each party imposed upon notice of contract termination or expiration that are designed to extract and protect proprietary data, databases, and structure.

(b) Service provider must provide disentanglement services as soon as possible after Notice of Contract Termination or contract expiration. The disentanglement period shall be for one month

unless otherwise agreed upon. If disentanglement services cannot be completed during the agreed disentanglement period, Service provider must notify TJJJ in writing 14 days before the end of the disentanglement period and must include an explanation of the cause for delay and a proposed timeframe for completion.

- (c) Disentanglement services that Service provider must provide include: (1) Up-to-date documentation of data format and structure; and (2) documentation of what, if any, of Service provider's proprietary information is embedded within TJJJ data. Service provider should also provide TJJJ with their proprietary data in the same format and structure as used in Service provider's system before Contract Termination. If Service provider is unwilling to provide data in the same format and structure, then Service provider must work with TJJJ or a 3rd party of TJJJ's choice to provide the data and appropriate documentation in an acceptable alternate format agreed to by TJJJ. After completion of the aforementioned obligations, TJJJ shall continue to allow Service provider access to its shared servers so Service provider may uninstall their software, databases, and proprietary data and information. After removal of all proprietary data, Service provider shall confirm removal with written certification of such.
- (d) Both parties shall have full access to shared servers, including source code and technical documentation, during the disentanglement period. If any disagreement between the parties arises before disentanglement services are completed, both parties shall continue to have full access while seeking resolution.
- (e) Confidentiality requirements, restrictions on use of data, and intellectual property rights described in the contract remain effective until disentanglement services are completed.

25. 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 the contract.

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27. Drug-Free Workplace

Service Provider represents and warrants that it shall comply with the applicable provisions of the Drug-Free Work Place Act of 1988 (41 U.S.C. § 701 et seq.) and maintain a drug-free work environment.

28. E-Verify Program

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 the 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 the 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 provision, 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.

29. Energy Company Boycotts

If Service Provider is required to make a verification pursuant to Section 2274.002 of the Texas Government Code, Service Provider verifies that Service Provider does not boycott energy companies and will not boycott energy companies during the term of the Contract. If Service Provider does not make that verification, Service Provider must so indicate in its Response and state why the verification is not required.

30. Entities that Boycott Israel

Pursuant to Section 2270.002 of the Texas Government Code, Service Provider certifies that either: (i) it meets an exemption criterion under Section 2270.002; or (ii) 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.

31. Equal Employment Opportunity

Service Provider represents and warrants its compliance with all applicable duly enacted state and federal laws governing equal employment opportunities.

32. Excess Obligations Prohibited - Funding Out Clause

The contract is subject to termination or cancellation, without penalty to TJJD, either in whole or in part, subject to the availability of state funds.

33. Excluded Parties

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.

34. Executive Head of a State Agency Affirmation

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 TJJD, (2) a person who at any time during the four years before the date of the contract was the executive head of the TJJD, or (3) a person who employs a current or former executive head of TJJD.

35. False Statements

Service Provider represents and warrants that all statements and information prepared and submitted in this document are current, complete, true, and accurate. Submitting a Response with a false statement or material misrepresentations made during the performance of a contract is a material breach of contract and may void the submitted Response and any resulting contract.

36. 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.

37. Financial Participation Prohibition Affirmation

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.

38. Fingerprinting and Background Check

A. Unless Service Provider is addressed in Section B below, Service Provider shall:

1. As directed, provide information regarding persons providing services under this contract with access to TJJJ youth or youth records for a criminal background checks, which may include fingerprinting, 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. Any Service Provider employee, agent, consultant, subcontractor, subcontractor 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 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 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 employee, or volunteer worker shall be immediately suspended from working under this contract unless authorized by TJJJ's Director of Human Resources.

B. Service Provider Licensed by the Texas Department of Family and Protective Services

1. Employees, contractors (including subcontractors), or volunteers who provide services in a facility that contracts to accept TJJJ youth and that is licensed by the Department of Family and Protective Services (DFPS) must, in order to work with TJJJ youth, obtain clearance under DFPS background check rules. Further:
 - a. Service Provider must provide sufficient information to allow TJJJ to verify DFPS clearance; and
 - b. Service Provider must notify TJJJ's Director of Human Resources **within 24 hours** of learning of the arrest of any employee, contractor (including subcontractor), or volunteer.

C. TJJJ Approval

TJJJ will approve or deny any Service Provider employee, agent, consultant, subcontractor, subcontractor 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.

39. Firearm Entities and Trade Association Discrimination

If Service Provider is required to make a verification pursuant to Section 2274.002 of the Texas Government Code, Service Provider verifies that it (1) does not have a practice, policy, guidance, or directive that discriminates against a firearm entity or firearm trade association and (2) will not discriminate during the term of the contract against a firearm entity or firearm trade association. If Service Provider does not make that verification, Service Provider must so indicate in its Response and state why the verification is not required.

40. Force Majeure

Should performance of any obligation created under this Agreement become illegal or impossible by reason of fire, flood, storm, epidemic, pandemic, or other national or regional emergency, act of God, governmental authority, war or any other cause not enumerated herein but which is beyond the reasonable control of the Party whose performance is affected, then the performance of any such obligation is suspended during the period of, and only to the extent of, such prevention or hindrance, provided the affected Party provides reasonable notice of the event of force majeure and exercises all reasonable diligence to remove the cause of force majeure.

41. 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.

42. Former Agency Employees

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.

43. 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 TJJJ or other sanctions may be exercised.

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 TJJJ within twenty-four (24) hours. If such delinquency cannot be cured within twenty-four (24) hours and a copy of the Certification of Account Status proving payment of delinquent taxes cannot be provided to TJJJ, this contract may be terminated at the option of TJJJ or other sanctions may be exercised under the provisions of this contract.

44. 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.

45. Human Trafficking Prohibition

Under Section 2155.0061, 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.

46. Indemnification (General)

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.

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49. Independent Contractor - Relationship of the Parties

The contract shall not create any joint venture, partnership, agency, or employment relationship between Service Provider and TJJJ. Service Provider and Service Provider's employees, representatives, agents, subcontractors, suppliers, and third-party service providers shall serve as independent contractors in providing the services under the contract. Neither Service Provider nor TJJJ is an agent of the other and neither may make any commitments on the other party's behalf. Should Service Provider subcontract any of the services required in the contract, Service Provider expressly understands and acknowledges that in entering into such subcontract(s), TJJJ is in no manner liable to any subcontractor(s) of Service Provider. In no event shall this provision relieve

Service Provider of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with the contract.

Service Provider agrees and acknowledges that during the existence of the 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 the 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. Service Provider shall have no claim against TJJJ for vacation pay, sick leave, retirement benefits, social security, worker's compensation, health or disability benefits, unemployment insurance benefits, or employee benefits of any kind. 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.

50. Insurance

Section 1: Service Provider shall maintain liability insurance in the amount of \$1,000,000.00 for each occurrence of negligence. The insurance must also 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 the TJJJ Contracts Department proof of insurance listing TJJJ as an additional insured upon contract execution, upon insurance renewal if coverage expires during the contract term (including contract extensions, if any), and 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 sanctions.

51. Legal and Regulatory Action

Service Provider represents and warrants that it is not aware of and has received no notice of any court or governmental agency actions, proceedings or investigations, etc., pending or threatened against Service Provider or any of the individuals or entities included in the Response within the five (5) calendar years immediately preceding the submission of the Response that would or could impair Service Provider's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to TJJJ's consideration of the Response. If Service Provider is unable to make the preceding representation and warranty, then Service Provider instead represents and warrants that it has included as a detailed attachment in its Response a complete disclosure of any such court or governmental agency actions, proceedings or investigations, etc. that would or could impair Service Provider's performance under the contract, relate to the solicited or similar goods or services, or otherwise be relevant to TJJJ's consideration of the Response. In addition, Service Provider represents and warrants that it shall notify TJJJ in writing within five (5) business days of any changes to the representations or warranties in this clause and understands that failure to so timely update TJJJ shall constitute breach of contract and may result in immediate termination of the contract.

52. Limitation on Authority

Service Provider shall have no authority to act for or on behalf of TJJJ or the State of Texas except as expressly provided for in the contract; no other authority, power or use is granted or implied. Service Provider may not incur any debt, obligation, expense or liability of any kind on behalf of TJJJ or the State of Texas.

53. Lobbying Prohibition

Service Provider represents and warrants that TJJJ's payments to Service Provider and Service Provider's receipt of appropriated or other funds under the contract are not prohibited by Sections 556.005 or 556.0055 of the Texas Government Code.

54. Media Releases

Service Provider shall not use TJJJ's name, logo, or other likeness in any press release, marketing material, or other announcement without TJJJ's prior written approval. TJJJ does not endorse any vendor, commodity, or service. Service Provider is not authorized to make or participate in any media releases or public announcements pertaining to this procurement, the Response or the services to which they relate without TJJJ's prior written consent, and then only in accordance with explicit written instructions from TJJJ.

55. No Conflicts of Interest

Service Provider represents and warrants that the provision of goods and services or other performance under the contract will not constitute an actual or potential conflict of interest or reasonably create the appearance of impropriety. 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.

56. No Implied Waiver

The failure of a party to insist at any time upon the strict performance of any covenant or agreement or to exercise any option, right, power, or remedy contained in the contract shall not be construed as a waiver or a relinquishment thereof for the future.

57. No Quantity Guarantees

TJJJ makes no express or implied warranty whatsoever that a minimum compensation or minimum quantity will be guaranteed under this contract.

58. No Third-Party Beneficiaries

The contract is made solely and specifically among and for the benefit of the parties named herein and their respective successors and assigns, and no other person shall have any right, interest, or claims hereunder or be entitled to any benefits pursuant to or on account of the contract as a third-party beneficiary or otherwise.

59. Notice

Any written notice required under this contract will be either through hand delivery or by U.S. Mail, certified, return receipt requested, to Service Provider at the address indicated on page 1 of the contract and to TJJJ at Texas Juvenile Justice Department, Office of General Counsel, P.O. Box 12757, Austin, Texas 78711-2757 or 1711 San Jacinto Blvd., Austin Texas 78701.

60. 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, if applicable, 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.

61. Permits, Certifications, and Licenses

Service Provider represents and warrants that it has determined what licenses, certifications, and permits are required under the contract and has acquired all applicable licenses, certifications, and permits and shall maintain them as necessary throughout the term of the contract.

62. Prior Disaster Relief Contract Violation

Under Sections 2155.006 and 2261.053 of the Texas Government Code, the Service Provider certifies that the individual or business entity named in this Response 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.

63. Prompt Payment

Payment shall be made in accordance with Chapter 2251 of the Texas Government Code, commonly known as the Texas Prompt Payment Act. Chapter 2251 of the Texas Government Code shall govern remittance of payment and remedies for late payment and non-payment.

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65. Public Information Act

Information, documentation, and other material in connection with this Solicitation or any resulting 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.

66. Problem Solving in the Ordinary Course of Business

Section 1: The parties to the contract shall use the procedures contained in this provision 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 the contract, the dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used.

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:

1. 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).
2. The Statement of Problem will be submitted to the designated contact unless the problem specifically involves the designated contact, in which case, it will be submitted to the designated contact's supervisor.
3. Problems are to be addressed within ten (10) working days; a written decision will be sent to the individual or program that submitted it, with copies retained by the designated contact and 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 TJJJ's Office of General Counsel 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, and copies retained by the designated contact, the designated contact's supervisor, and TJJJ's Office of General Counsel.

67. Required Disclosure of Lobbyist Activity and Certificate of Interested Parties

Service Provider agrees that if, at any time during the term of the 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 TJJJ and provide timely copies of all reports filed with the Texas Ethics Commission, as required by Chapter 305.

Additionally, pursuant to House Bill 1295 and Texas Government Code Section 2252.908, Service provider must submit a Certificate of Interested Parties or disclosure of interested parties on a form prescribed by the Texas Ethics Commission, currently identified as Form 1295. Prior to submission of this signed contract to TJJJ, Service provider must file Form 1295 through the online filing application process on the Texas Ethics Commission website at

https://www.ethics.state.tx.us/whatsnew/elf_info_form1295.htm. TJJJ will acknowledge Service provider's Form 1295 within thirty (30) days of submission.

68. Restricted Employment for Certain State Personnel

Pursuant to Section 572.069 of the Texas Government Code, Service Provider certifies that it has not employed and will not employ a former state officer or employee who participated in a procurement or contract negotiations for TJJJ involving Service Provider within two (2) years after the date that the contract is signed or the procurement is terminated or withdrawn. This certification applies to former state officers or employees whose state service or employment ceased on or after September 1, 2015.

69. 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 TJJJ 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 TJJJ youth in Service Provider's care.

70. Sanctions

Section 1: In addition to its authority to terminate this contract under the termination provision 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:

1. Requiring Service Provider to take specific corrective actions in order to remain in compliance with the terms of this contract; and/or
2. Recouping payment made to Service Provider; and/or
3. Imposing recommendations from audit or investigative findings, and minor or major sanctions; and/or
4. Recovery of damages to the extent allowed by Texas law for each instance of non-compliance; and/or
5. Suspending, placing into abeyance, or removing any contractual rights including, but not limited to, withholding payment.

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

71. Severability

If any provision of the contract is construed to be illegal or invalid, such construction will not affect the legality or validity of any of its other provisions. The illegal or invalid provision will be deemed severable and stricken from the contract as if it had never been incorporated herein, but all other provisions will continue in full force and effect.

72. Signature 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 TJJJ and Service Provider and to their representatives, successors, and assigns.

73. Sovereign Immunity

The Parties expressly agree that no provision of the contract is in any way intended to constitute a waiver by the TJJJ or the State of Texas of any immunities from suit or from liability that the TJJJ or the State of Texas may have by operation of law.

74. Specifications

Service Provider shall provide services in accordance with the specifications contained in this contract. TJJJ 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. Substitutions cannot be made without TJJJ prior approval. TJJJ will decide the rate of progress of the work and the acceptable

fulfillment of services on the part of Service Provider.

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76. State Auditor's and TJJJ's Right to Audit

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 TJJJ 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 TJJJ, the State of Texas, or their authorized representatives. Service Provider shall cooperate with auditors and other authorized TJJJ and State of Texas representatives and shall provide them with prompt access to all of such State's property as requested by TJJJ or the State of Texas. Service Provider's failure to comply with this provision shall constitute a material breach of this contract and shall authorize TJJJ to immediately terminate and/or assess liquidated damages to the extent allowed by Texas law. TJJJ 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 TJJJ with a copy of such audit at the same time it is provided to Service Provider. TJJJ 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 TJJJ 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.

77. Subcontractors

Service Provider may not subcontract any or all of the work and/or obligations due under this contract without prior written approval of the TJJJ. Subcontracts, if any, entered into by the Service Provider shall be in writing and be subject to the requirements of this contract. Should Service Provider subcontract any of the services required in this contract, Service Provider expressly understands and acknowledges that in entering into such subcontract(s), TJJJ is in no manner liable to any subcontractor(s) of Service Provider. In no event shall this provision relieve Service Provider of the responsibility for ensuring that the services performed under all subcontracts are rendered in compliance with this contract.

78. Survival

Expiration or termination of the contract for any reason does not release Service Provider from any liability or obligation set forth in the contract that is expressly stated to survive any such expiration or termination, that by its nature would be intended to be applicable following any such expiration or termination, or that is necessary to fulfill the essential purpose of the contract, including without limitation the provisions regarding warranty, indemnification, confidentiality, and rights and remedies upon termination.

79. Suspension and Debarment

Service Provider certifies that it and its principals are not suspended or debarred from doing business with the state or federal government as listed on the *State of Texas Debarred Vendor List* maintained by the Texas Comptroller of Public Accounts and the *System for Award Management (SAM)* maintained by the General Services Administration.

80. Taxes

Purchases made for state uses are exempt from Texas State Sales Tax and Federal Excise Tax. A Tax Exemption Certificate will be furnished upon written request to TJJJ. Service Provider represents and warrants that it shall pay all taxes or similar amounts resulting from the contract, including, but not limited to, any federal, State, or local income, sales or excise taxes of Service Provider or its employees. TJJJ shall not be liable for any taxes resulting from the contract.

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83. Termination

Section 1: Service Provider may terminate the contract for convenience by giving one hundred eighty (180) calendar days' written notice to TJJJ.

Section 2: TJJJ may terminate the contract for convenience on thirty (30) calendar days' written notice. There is no buy out or other amounts due if TJJJ terminates early. Upon termination under this provision, Service Provider shall refund to TJJJ any amounts attributable to the terminated months within thirty (30) days of the termination.

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.

84. Unfair Business Practices

Service Provider represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Chapter 17 of the Texas Business and Commerce Code, or allegations of any unfair business practice in any administrative hearing or court suit and that Service Provider has not been found to be liable for such practices in such proceedings. Service Provider certifies that it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

85. Use of Contract by Local and State Agencies

This contract shall be available for use by all local governments and state agencies also known as "Customer," **provided** there are no conflicts with any applicable statutes, rules, policies, or procedures.

This contract was competitively solicited, negotiated and awarded or directly awarded in accordance with applicable State of Texas purchasing statutes, rules, policies, and procedures. State agencies and local governments may use the prices shown in this contract to issue their own contract or may negotiate lower rates based on the increase in capacity. Arrangements for delivery of services are

contingent upon mutual agreement of the state agency or local government and Service Provider. The state agency's or local government's contract shall reference the TJJD's contract number and be sent directly to the Service Provider.

The terms and conditions set forth herein shall govern all transactions by Customers under this contract. Customers shall not have the authority to modify the terms of this contract, except as to receive better terms or pricing for a particular procurement than those set forth herein. In such event, Service Provider shall furnish a copy of such better offerings to the TJJD. Any savings or rate reductions offered to the other local governments and state agencies as a result of those local governments and state agencies using this contract will be offered to the TJJD. The TJJD shall have the right to modify the original contract to reflect those cost savings and rate reductions. No additional term or condition of a contract issued by a Customer can modify a term or condition of this contract, unless approval is obtained from the TJJD. In the event of a conflict between a Customer's purchase order and this contract, this contract shall prevail.

The Service Provider shall provide services as per the requirements, terms, and conditions of the established contract. The Customer may not deviate from the material requirements of this contract, as Service Provider is not obligated to perform other than as stated within this contract, unless a change is approved by the TJJD. The Customer shall use this contract exclusively while identified as an authorized user. If the Customer procures services from another provider, Customer's status as an authorized user will be terminated.

The Customer shall request services directly from Service Provider. The Customer shall receive and reconcile invoices and client participation reports independent from the TJJD. The Customer shall work directly with the Service Provider in resolving all issues, including litigation, as they relate to services performed under their contract with Service Provider. The Customer shall be billed directly by the Service Provider and make monthly payments from local funds as per the rates in this contract. The TJJD shall have no obligation to pay Service Provider for monies the Customer may owe Service Provider.”

The Customer agrees to indemnify and hold the TJJD harmless from any and all of the following whether the same be actual or alleged: all loss, damage, claims, suits, taxes, liens, penalties, fines, liability, and expense (including attorneys' fees) howsoever arising or incurred as a result of this contract, including, but not limited to, damages or injuries or death to persons, or injury to or destruction of property.