

## **CONTRACT**

**THIS CONTRACT**, by and between the State of Colorado for use and benefit of the Colorado Department of Corrections, P. O. Box 1010, Canon City, Colorado, 81215-1010, hereinafter "State or CDOC", and Value Added Communications, Inc., 3801 East Plano Parkway, Suite 100, Plano, Texas, 75074, hereinafter "Contractor" or "VACI".

## **RECITALS:**

Pursuant to federal court order and Colorado Revised Statutes ("CRS") § 17-24-126 the state acts as trustee for the inmate trust fund through which all monies handled under this Contract are managed, and accordingly no State General fund dollars are expended or become obligated under this Contract; and

Since no state funds are obligated under this Contract it is exempt from the State's Procurement Code as well as the State's Fiscal Rules; and

Required approval, clearance and coordination has been accomplished from and with appropriate agencies; and

The parties intend that this Contract will replace the prior contract, Contract Routing number 07CAA00163 and will terminate that prior contract upon the signature of all parties; and

The State desires that VACI provide Inmate Telephone Services ("ITS") for the term of this Contract; and

VACI desires to provide such services, subject to the terms conditions and provision of this Contract, and to derive all of its revenue under this Contract from charges made to inmates for services provided; and

**NOW, THEREFORE**, it is hereby agreed that in consideration of and subject to the terms, conditions, provisions and limitations contained in this Contract, the sufficiency of which is hereby acknowledged, the State and VACI agree as follows:

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1. **Statement of Work.** Contractor agrees to provide ITS services as follows, and as set out in the attached Exhibit A which is hereby incorporated by reference into this Contract:

1.1. **Inmate Telephone Services.** Contractor agrees to provide the ITS by furnishing all work, labor and materials and performing all work required, for the complete and prompt execution of everything described or shown in the terms, conditions, specifications and provisions of this Contract.

1.2. **Inmate Telephone Service (ITS) for Expanded CDOC Facilities and Privately-Managed CDOC Facilities.** For any expanded CDOC or privately-managed facilities during the term of this Contract, Contractor agrees to bring those expanded facilities into compliance with this Contract as a fully functioning part of the ITS network. .

1.3. **Permits, Licenses, Rates and Commissions.**

1.3.1. Contractor will, at its own expense, obtain all necessary licenses to continue operating a communication company within Colorado under FCC and Colorado PUC guidelines, rules and regulations.

1.3.2. Contractor agrees to notify CDOC in writing within ten (10) days upon determining that it may be precluded by a change in Federal, State or local law or regulations from providing the ITS. Contractor further agrees that, in the event Contractor or any subcontractor is precluded by applicable law from continuing to provide the ITS, Contractor will reasonably assist CDOC in identifying another Contractor's system which provides substantially the same features and functionality as the Contractor-provided system; provided, however, CDOC shall make its own independent determination of whether another Contractor's system meets CDOC's requirements, and Contractor shall have no further liability in connection with rendering any such assistance to CDOC. Upon CDOC's selection of a replacement Contractor, at no cost to the State, Contractor will reasonably assist CDOC with the conversion from Contractor's system or services, without unnecessary interruption.

1.3.3. The Statement of Rates and Commissions, Section 4 below, sets forth the per minute rates and per call surcharges that called parties will be charged (in the case of collect calls) and calling parties (in the case of debit calls) will be charged under the Inmate Telephone Service. Section 4 also sets forth the commissions the Contractor shall pay the State as a result of providing the Services under this Contract. In the event of any law, order, rule, regulation or other mandate of any Federal, State, or local government agency enacted during the term of this Contract, including any extensions, including but not limited to any Colorado PUC rate caps or flat fee requirement, which requires Contractor to charge less than Section 4 would otherwise entitle Contractor to charge users of the ITS, then the Parties will negotiate in good faith an equitable downward adjustment to the commissions payable by Contractor for the ITS, as well as any other affected terms, conditions or provisions of this Contract.

1.4 **Performance Bond.** Within ten (10) days after the Effective Date of this Contract, the Contractor shall provide to the State, at the Contractor's cost, a duly executed performance bond in the penal sum of Five Hundred Thousand Dollars (\$500,000), issued by a surety licensed to do business in the State of Colorado, and shall maintain such performance bond for the term of this Contract, including any extensions or renewals. Such bond shall include but not be limited to payment of all commissions owed to the CDOC by the Contractor but not paid due to Contractor's default.

**2. Order of Precedence.** The provisions of this contract shall govern the relationship of the State and Contractor. In the event of conflicts or inconsistencies between this contract and its exhibits or attachments, such conflicts or inconsistencies shall be resolved by reference to the following documents, incorporated into this contract, in the following order of priority:

- A. Colorado Special Provisions, contract pages 16 to 17.
- B. Remainder of this contract, page 1 to 15.
- C. Exhibit A – Statement of Work: Specifications
- D. Exhibit B – Option Letter

**3. Term.** This contract shall become effective on March 1, 2009 (the “Effective Date”) and shall terminate on February 29, 2012, unless earlier terminated by its terms or extended per the renewal provision herein.

**3.1** The State may require continued performance for a period of two (2) two (2) year options each, for any services at the terms specified in this contract. The State may exercise its option to renew the Contract by delivering to the Contractor a written notice, which shall be provided to the Contractor for the next ensuing renewal period, by written notice to Contractor within sixty (60) days prior to the end of the current contract term in a form substantially equivalent to Exhibit B. If the State exercises this option, the extended contract will be considered to include this option provision. The total duration of this contract, including the exercise of any options under this section, shall not exceed seven (7) years plus the Holdover period set out in section 3.2. herein.

**3.2.** Holdover. In the event that the state agency desires to continue the services and a replacement contract has not been fully executed by the ending term date of this contract, this contract may be extended unilaterally by the State for a period of up to two months upon written notice to Contractor under the same terms and conditions of the original contract including, but not limited to commissions, rates, and service delivery requirements. However, this extension terminates when the replacement contract becomes effective.

**4. Payments and Rates.**

**4.1 RATES AND CHARGES:** Per minute rates and per call charges for Local, Intra-lata, Intra-state Inter-lata and Inter-state collect and debit calls are set forth below. These rates and charges are fixed for the term of the Contract, including any extensions or renewals, unless otherwise agreed by the parties. International rates are subject to change and are not set by this contract. During the initial three year term of this Contract, the State and Contractor will perform an annual rate review to determine if any adjustments are necessary.

COLLECT CALL TYPE	PER CALL CHARGE	RATE PER MINUTE
Local	\$2.75	\$0.23 All Times
Intra-Lata	\$2.75	\$0.23 All Times
Intra-State Inter-Lata	\$2.75	\$0.23 All Times
Inter-State	\$3.95	\$0.89 All Times
<b>ITS V-CONNECT ADVANCE PAY COLLECT CALLS</b>		
COLLECT CALL TYPE	PER CALL CHARGE	RATE PER MINUTE
Local	\$2.75	\$0.18 All Times
Intra-Lata	\$2.75	\$0.18 All Times
Intra-State Inter-Lata	\$2.75	\$0.18 All Times
Inter-State	\$3.95	\$0.59 All Times
<b>ITS DEBIT CALLS</b>		
DEBIT CALL TYPE	PER CALL CHARGE	RATE PER MINUTE
Local	\$1.25	\$0.13 All Times
Intra-Lata	\$1.25	\$0.13 All Times
Intra-State Inter-Lata	\$1.25	\$0.13 All Times
Inter-State	\$2.00	\$0.13 All Times

## 4.2 COMMISSIONS AND PAYMENTS:

**4.2.1. Commissions on ITS Calls:** The CDOC shall collect the revenue from the inmates for calls made on behalf of the Contractor and for payment to the Contractor. Contractor shall be obligated to pay to CDOC a percentage of such revenue as a commission equal to forty-three percent (43%) of the "ITS Commissionable Revenue" from all ITS Collect and Debit calls under this contract. The commission due to the CDOC for any voice mail revenue would be 25%. Failure by Contractor to pay such commission to the CDOC by the due date set out herein shall be deemed to be an event of default under this Contract.

**4.2.2. State Billing Procedures.** Contractor shall submit to the State a monthly invoice which shows the total revenue generated from debit calls and the total commission earned by the State on the total billable debit and collect placed through the ITS. The obligation owed by or due to the CDOC inmate trust fund will be the difference between the cost of the inmate phone calls and the commissions earned for that month. All monthly payments made to the Contractor shall be made by Electronic Funds Transfer.

**4.2.3. ITS Commissionable Revenue.** "ITS Commissionable Revenue" is the total billable revenue for all ITS collect and debit calls processed, less:

- a. Taxes, as applicable,
- b. Credits,
- c. Any amount the Contractor collects or otherwise pays to third parties in support of programs mandated by governmental or quasi-governmental authorities, such as the Universal Service Fund and the Carrier Access Charge,
- d. Any amount the Contractor pays to payphone service providers pursuant to Section 276 of the Telecommunications Act of 1996 ("Section 276") and the regulations implementing Sections 276, and
- e. Any costs incurred by the Contractor in connection with such compensation requirements in support of program mandated by governmental or quasi-governmental authorities, including without limitation those of Section 276.

**5. Contractor's Staff.** Only designated and approved Contractor Personnel shall work on this contract. Contractor personnel shall pass CDOC background checks before they will be allowed to work inside CDOC facilities. Contractor shall screen all designated Contractor personnel to ensure that all such individuals are fully qualified to work on this contract and, if required by law or ordinance, are validly licensed and/or have obtained all requisite permits.

**6. Security and Access.** Contractor shall provide physical and logical protection for State hardware, software, applications and data that meet or exceed industry standards. Contractor shall provide the State with access, subject to Contractor's reasonable access security requirement, seven (7) days a week, 24 hours a day, for the purpose of inspecting and monitoring access and use of State data and maintaining State systems.

**7. Legal Authority.**

Contractor warrants that it possesses the legal authority to enter into this contract and that it has taken all actions required by its procedures, by-laws, and/or applicable law to exercise that authority, and to lawfully authorize its undersigned signatory to execute this contract and to bind Contractor to its terms. The person(s) executing this contract on behalf of the Contractor warrant(s) that such person(s) have full authorization to execute this contract.

**8. Warranty.** Contractor expressly warrants that in providing the ITS services:

- 8.1. Contractor shall strictly comply with the descriptions and representations as to services and deliverables (including performance, capabilities, accuracy, completeness, characteristics, specifications, configurations, standards, functions and requirements) set forth in this contract and the exhibits hereto. Contractor and Contractor's employees shall perform the services and deliver the deliverables in a timely manner;
- 8.2. The services to be performed hereunder shall be performed in a workmanlike manner, subject to the supervision and instructions provided by the State, and consistent with that level of care and skill ordinarily exercised by other providers of similar services under similar circumstances at the time Services are provided;
- 8.3. Contractor is the lawful owner or licensee of all software, hardware, methods, methodologies and any pre-existing Intellectual Property used in the performance of the services and the delivery of the deliverables contemplated hereunder. The Contractor has the right to permit the State access to or use of such software, hardware, methods, methodologies and Intellectual Property;
- 8.4. All software and hardware used to provide the ITS will meet all specifications set forth in this contract and any documents referenced therein.

- 8.5. Contractor will, without charge to the State, correct any defects and make any additions, modifications or adjustments to any of its ITS equipment used under this Contract as well as update or revise any software as may be necessary to keep the ITS in operating order in accordance with specifications at all times during the term of the Contract and it is understood that the software and equipment is only required to meet the functionality required by this agreement.
- 8.6 Contractor will, without charge to the State, provide and update as needed all voice scripting to meet FCC, PUC and/or any other governing agency requirements.

9. **Intellectual Property Indemnification.** Contractor shall pay all applicable royalties and license fees for any software or other intellectual property utilized in performance of this Contract. Contractor shall defend, at its sole expense, any claim(s) or suit(s) brought against the State alleging that the use by the State of any product(s), or any part thereof, supplied by Contractor under this contract constitutes infringement of any patent, copyright, trademark, or other proprietary rights, provided that the State gives Contractor written notice within twenty (20) days of receipt by the State of such notice of such claim or suit, provides assistance and cooperation to Contractor in connection with such action, and Contractor has sole authority to defend or settle the claim. Contractor shall consult the State regarding such defense and the State may, at its discretion and expense, participate in any defense. Should the State not choose to participate, Contractor shall keep the State advised of any settlement or defense. The services shall not violate or in any way infringe upon the rights of third parties, including proprietary information and non-disclosure rights, or any Intellectual Property rights.

Contractor shall have liability for all such claims or suits, except as expressly provided herein, and shall indemnify the State for all liability incurred by the State as a result of such infringement. Contractor shall pay all reasonable out-of-pocket costs and expenses, and damages finally awarded by a court of competent jurisdiction, awarded or agreed to by Contractor regarding such claims or suits.

If the product(s), or any part thereof, become the subject of any claim, suit or proceeding for infringement of any patent, trademark or copyright, or in the event of any adjudication that the product(s), or any part thereof, infringes any patent, trademark or copyright, or if the sub-license or use of the product(s), or any part thereof, is enjoined, Contractor, after consultation with the State, shall do one of the following at Contractor's expense: (i) produce for the State the right under such patent, trademark or copyright to use or sub-license, as appropriate, the product or such part thereof: or (ii) replace the product(s), or part thereof, with other suitable products or parts conforming to the original license and State specifications; or (iii) suitably modify the products, or part thereof or (iv) terminate provision of the affected Service(s) and/or terminate this Contract.

Contractor shall have no obligation to defend against or to pay any costs, damages or attorney's fees with respect to any claim based upon: (i) the use of an altered release if Contractor had not consented to the alteration, or (ii) the combination, operation or use of the product(s) with programs or data which were not furnished by Contractor, if such infringement would have been avoided if the programs or data furnished by persons or entities other than Contractor had not been combined, operated or used with the product(s), or (iii) the use of product(s) on or in connection with equipment or software not permitted under this contract if such infringement would have been avoided by not using the product(s) on or in connection with such other equipment or software.

If and to the extent such damage or loss as covered by this provision is covered by the State of Colorado Tort Claims Fund (the "Fund"), Contractor agrees to reimburse the Fund. To the full extent permitted by the Constitution and the laws of the State of Colorado and the terms of the Fund, Contractor and its insureds waive any right of subrogation against the State of Colorado, the indemnities and the Fund and insurers participating thereunder, to the full extent of this indemnification.

These provisions set forth the sole and exclusive remedy of the State, and the entire obligation and liability of the Contractor, as to any claim or proceeding alleging infringement or misappropriation of third party intellectual property or proprietary rights in connection with this Contract.

**10. Events of Default.** Any of the following events shall constitute an event of default ("Event of Default") hereunder: (i) Contractor's failure to pay any commission payment when due; (ii) Contractor's failure to perform or observe any covenant, condition, or obligation to be performed or observed hereunder, or breach in any document furnished to State in connection herewith, and such failure or breach continues unremedied for a period of forty-five (45) days after written notice thereof from State; (iii) the State's determination that any statement, representation, or warranty made by Contractor in this contract or in any other document by Contractor in connection herewith is false, misleading or erroneous in any material respect; or (iv) the institution of proceedings under any bankruptcy, insolvency, reorganization or similar legislation, by or against Contractor, or the appointment of a receiver or similar officer for Contractor or any of its property, and such proceedings or appointments are not vacated or fully stayed within sixty (60) days after the institution or occurrence thereof; (v) default in the payment or performance of any other liability, indebtedness, contract, or other obligation of Contractor, Contractor shall, within thirty (30) days of receipt of notice, cure such performance; or (vi) the failure of Contractor or Contractor's employees to comply with any of the obligations of Section 1 above; (vii) loss of total service affecting greater than or equal to 20% or more of one location or of any one area within a facility for more than 5 days; (viii) any system functionality or programming issue which causes errors affecting inmate account balances or call rating for more than 24 hours.

**11. Remedies.** In addition to any other remedies provided for in this contract, and without limiting its remedies otherwise available at law, the State may exercise the following remedial actions if Contractor substantially fails to satisfy or perform the duties and obligations in this contract. Substantial failure to satisfy the duties and obligations shall be defined to mean significant insufficient, incorrect, improper performance, activities, or inaction by Contractor. These remedial actions are as follows:

- 11.1. Suspend Contractor's performance pending necessary corrective action as specified below by the State without Contractor's entitlement to adjustment in price/cost or schedule; and/or
- 11.2. Withhold any payment due to Contractor until the necessary services or corrections in performance are satisfactorily completed and/or acceptable goods are provided; and/or
- 11.3. Request the removal from work on this contract of employees or agents of Contractor whom the State justifies as being incompetent, careless, insubordinate, unsuitable, or otherwise unacceptable, or whose continued employment on this contract the State deems to be contrary to the public interest or not in the best interest of the State; and/or
- 11.4. Terminate this contract for default.

The above remedies are cumulative and the State, in its sole discretion, may exercise any or all of them individually or simultaneously.

**12. Termination.**

**12.1. Termination without Cause.** Either party shall have the right to terminate this Contract by giving the other party ninety days notice by mail. If notice is so given, this Contract shall terminate on the expiration of the ninety days, and the liability of the parties hereunder for the further performance of the terms of this Contract shall thereupon cease, but the parties shall not be relieved of the duty to perform their obligations up to the date of termination. Notwithstanding such termination, all terms and conditions of this Contract which may require continued obligation or compliance beyond the termination date of the Contract shall survive such termination.



**12.2. Termination for Cause.** If, through any cause, Contractor shall fail to fulfill, in a timely and proper manner, its obligations under this contract, or if Contractor shall violate any of the covenants, agreements, or stipulations of this contract, the State shall have the right to terminate this contract for cause. The State shall notify Contractor of Contractor's unsatisfactory performance of any term or condition of this contract by giving Contractor written notice of the specific obligation this contract has performed unsatisfactorily. The State shall give such notice in accordance with the terms of the applicable Performance Bond. Contractor shall, within thirty (30) days of receipt of such notice, cure such unsatisfactory performance. If Contractor fails to cure its unsatisfactory performance within such thirty (30) day period, the State may, within its sole discretion, either extend the period within which Contractor may cure its performance by providing written notice of the specific extension period to Contractor, or immediately terminate this contract by providing written notice of termination to Contractor. In the event of termination, all data to include call records, financial reports and anonymous incident reporting server records and recording, and call recordings, become State property. This provision shall in no way limit other remedies available to the State in this contract, or remedies otherwise available at law.

Notwithstanding the above, Contractor shall not be relieved of liability to the State for any damages sustained by the State by virtue of any breach of this contract by Contractor, and the State may withhold any payment to Contractor for the purpose of mitigating its damages until such time as the exact amount of damages due to the State from Contractor is determined.

The State may immediately terminate this contract by providing written notice of termination to Contractor if Contractor's representative furnished any statement, representation, warranty, or certification in connection with the solicitation or award of this contract which is materially false, or deceptive. The State will not be liable for any costs incurred by Contractor if termination is for any of these causes.

If after such termination it is determined, for any reason, that Contractor was not in default, or that Contractor's action/inaction was excusable, such termination shall be treated as a termination for convenience, and the rights and obligations of the parties shall be the same as if this contract had been terminated for convenience, as described herein.

**Contractor's Duties:** Notwithstanding termination of the Contract hereunder and subject to any directions from the State, the Contractor shall take timely, reasonable and necessary action to protect and preserve property in the possession of the Contractor in which the State has an interest. The parties acknowledge, however, that this is not a purchase Contract, and no State general fund dollars are to be expended by way of this Contract.

**12.3. Termination for Convenience.** The State may terminate this Contract should circumstances occur which remove the governmental power to fulfill the State's obligation under this Contract. The State shall give not less than ninety (90) days prior written notice of the termination to the Contractor and specify the date upon which termination becomes effective. Contractor shall remain liable to the State for all commissions accruing up to the date Contractor's will cease.

**13. Transition of Services.** Upon expiration or earlier termination of this contract or any Services provided hereunder, Contractor shall cooperate fully with the State or such replacement provider and promptly take all steps required to assist in effecting a complete transition, including negotiating in good faith with the replacement provider for the sale of the Contractor's ITS related equipment contained within the CDOC's facilities. However, the Contractor shall not be obligated to sell any ITS related equipment which is the subject of an IP infringement claim. All services related to such transition shall be performed at no additional cost to the State.

#### **14. Contractor's Insurance Requirements.**

Contractor shall obtain, and maintain at all times during the term of this contract, insurance in the following kinds and amounts:

- 14.1. Workers' Compensation Insurance as required by state statute, and employer's Liability Insurance covering all of Contractor's employees acting within the course and scope of their employment.
- 14.2. Commercial General Liability Insurance written on ISO occurrence form CG 00 01 10/93 or equivalent, covering premises operations, fire damage, independent contractors, products and completed operations, blanket contractual liability, personal injury, and advertising liability with minimum limits as follows:
  - a. \$1,000,000 each occurrence;
  - b. \$1,000,000 general aggregate;
  - c. \$1,000,000 products and completed operations aggregate; and
  - d. \$50,000 any one fire.

If any aggregate limit is reduced below \$1,000,000 because of claims made or paid, Contractor shall immediately obtain additional insurance to restore the full aggregate limit and furnish to the State a certificate or other document satisfactory to the State showing compliance with this provision.

- 14.3. Automobile Liability Insurance covering any auto (including owned, hired and non-owned autos) with a minimum limit as follows: \$1,000,000 each accident combined single limit.
- 14.4. The State of Colorado shall be named as additional insured on the Commercial General Liability and Automobile Liability Insurance policies. Coverage required of this contract will be primary over any insurance or self-insurance program carried by the State of Colorado.
- 14.5. The Insurance shall include provisions preventing cancellation or non-renewal without at least 45 days prior notice to the State by certified mail.
- 14.6. All policies evidencing the insurance coverages required hereunder shall be issued by insurance companies satisfactory to the State.
- 14.7. Contractor shall provide certificates showing insurance coverage required by this contract to the State within 7 business days of the effective date of this contract, but in no event later than the commencement of the services or delivery of the goods under this contract. No later than 15 days prior to the expiration date of any such coverage, Contractor shall deliver the State certificates of insurance evidencing renewals thereof. At any time during the term of this contract, the State may request in writing, and Contractor shall thereupon within 10 days supply to the State, evidence satisfactory to the State of compliance with the provisions of this section.

#### **15. Representatives and Notice.**

For the purpose of this contract, the individuals identified below are hereby designated representatives of the respective parties. Either party may from time to time designate in writing new or substitute representatives without any requirement to amend this Contract. All notices required to be given under this contract shall be hand delivered or sent by certified or registered mail to the individuals at the addresses set forth below or to such other addresses that the parties may specify in writing from time to time. Any such notice shall be deemed to have been received when delivered, if delivered in person, or five days subsequent to deposit in the U.S. mail, properly addressed to the recipient with appropriate postage affixed thereto.

If to the CDOC:            Colorado Department of Corrections  
                                 Colorado Correctional Industries

Attn: Steve Smith  
2862 South Circle Drive, Suite 400  
Colorado Springs, CO 80906

If to the CDOC agency controller: Dennis Diaz  
Colorado Department of Corrections  
P.O. Box 1010  
Canon City, CO 81215-1010

If to the Contractor: Value Added Communications, Inc.  
Attn: Mark Turner, President  
3801 East Plano Parkway, Suite 100  
Plano, Texas, 75074

With email copy to: *REDACTED*

**16. Disputes.** Except as herein specifically provided otherwise, disputes concerning the performance of this contract which cannot be resolved by the designated contract representatives shall be referred in writing to a senior departmental management staff designated by the State and a senior manager designated by Contractor. Failing resolution at that level, disputes are governed by the administrative process found in CRS § 24-109-101 et. seq. and as subsequently amended.

**17. Assignment.** Contractor agrees not to assign rights or delegate duties under this contract or subcontract any part of the performance required under this contract without the express written consent of the State, which shall not be unreasonably withheld. Such consent may include, at the State's sole discretion: 1) the execution by the State, Contractor and the assignee of a Novation Agreement in a form prescribed by the State, which Novation Agreement will become effective upon State approval or 2) verification by the State of the assignment. Except as herein otherwise provided, this contract shall inure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This provision shall not be construed to prohibit assignments of the right to payment to the extent permitted by CRS § 4-9-318, provided that written notice of assignment of payment adequate to identify the rights assigned is received by the controller for the agency, department, or institution executing this contract. Such assignment shall not be deemed valid until receipt by such controller – as distinguished from the State Controller – at the address listed in paragraph 15 above. Contractor assumes the risk that such written notice of assignment is received by the controller for the agency, department, or institution involved.

**18. Force Majeure.** Neither Contractor nor the State shall be liable to the other for any delay in, or failure of performance of, any covenant or promise contained in this contract, nor shall any delay or failure constitute default or give rise to any liability for damages if, and only to the extent that, such delay or failure is caused by fire, explosion, action of the elements, strike, interruption of transportation, government interference, rationing, court action, illegality, or any other cause which is beyond the control of the party affected and which, by the exercise of reasonable diligence, could not have been prevented by the party affected ("Force Majeure Event"). The existence of such causes of delay or failure shall extend the period for performance to such extent as may be necessary to enable the complete performance in the exercise of reasonable diligence after the causes of delay or failure have been removed. Nothing in this paragraph shall prevent the State from covering its requirements from another Contractor during the period of delay. If a Force Majeure Event continues for more than thirty (30) days, the State may terminate this contract in accordance with the provision of Section 12 hereof, without additional liability. Force majeure shall not relieve the Contractor's obligation to pay

commissions to the CDOC as required in section 4 herein, but may be grounds to delay payment of such commissions.

**19. Third Party Beneficiaries.** It is expressly understood and agreed that the enforcement of the terms and conditions of this contract and all rights of action relating to such enforcement, shall be strictly reserved to the State and Contractor. Nothing contained in this contract shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the State and Contractor that any such person or entity, other than the State or Contractor, receiving services or benefits under this contract shall be deemed an incidental beneficiary only.

**20. Limitation of State Liability.** Notwithstanding anything herein to the contrary, no term or condition shall be deemed a waiver of any provision of the "Colorado Governmental Immunity Act, CRS § 24-10-101 et seq., as now or hereafter amended ("Immunity Act"), nor of the Risk Management self-insurance statutes at CRS § 24-30-1501, et seq., as now or hereafter amended ("Risk Management Act"), state employee Qualified Immunity under federal law, the Eleventh Amendment of the U.S. Constitution, as well as any other applicable state or federal law or regulation. The parties understand and agree that the liability of the State of Colorado, its departments, institutions, agencies, boards, officials and employees is controlled and limited by the provisions of the Immunity Act and the Risk Management Act. Any provision of this contract, whether or not incorporated herein by reference, shall be controlled, limited, and otherwise modified so as to limit any liability of the State to the above cited laws. In no event will the State be liable for any special, indirect, or consequential damages, even if the State has been advised of the possibility thereof.

**21. Severability.** To the extent that this contract may be executed and performance of the obligations of the parties may be accomplished within the intent of this contract, the terms of this contract are severable, and should any term or provision hereof be declared invalid or become inoperative for any reason, such invalidity or failure shall not affect the validity of any other term or provision hereof. The waiver of any breach of a term hereof shall not be construed as a waiver of any other term, or the same term upon subsequent breach.

**22. Waiver.** Any breach, default, or failure to perform any term or condition of this contract shall not be deemed waived or released by a party's silence, and any such waiver or release shall not be effective unless made in writing by an authorized representative of the party making the waiver. The waiver of any term or provision of this contract shall not constitute waiver of a future breach, default or failure to perform for the waived term or provision, unless expressly provided in the written waiver. The waiver of any term or provision of this contract shall not constitute waiver of any other terms or provisions of this contract not specifically addressed in the written waiver.

**23. Integration of Understanding.** This contract is intended as the complete integration of all understanding between the parties. No prior or contemporaneous addition, deletion, or other amendment hereto shall have any force or effect unless embodied herein in writing. No subsequent novation, renewal, addition, deletion, or other amendment hereto shall have any force or effect unless embodied in a written contract executed and approved pursuant to State Fiscal Rules.

**24. Survival of Certain Contract Terms.** Notwithstanding anything in this contract to the contrary, the parties understand and agree that all terms and conditions of this contract which may require continued performance, compliance, or effect beyond the termination date of this contract and shall survive such termination date and shall be enforceable by the State as provided herein in the event of failure to perform or comply by Contractor.

**25. Modification and Amendment.** This contract is subject to such modifications as may be required by changes in Federal or State law, or their implementing regulations. Any such required modification shall automatically be incorporated into and be part of this contract on the effective date of such change as if fully set

forth herein. Except as provided above, no modification of this contract shall be effective unless agreed to in writing by both parties in an amendment to this contract that is properly executed and approved in accordance with applicable law.

**26. Confidentiality.** Contractor acknowledges that it may come into contact with confidential information contained in the records of the State. Contractor shall provide and maintain a secure environment that ensures confidentiality. The confidentiality of all information will be respected, and no confidential information shall be distributed or sold to any third party nor used by Contractor or Contractor's assignees and / or subcontractors in any way except as authorized by this contract. Confidential information shall not be retained in any files or otherwise by Contractor. Disclosure of such information may be cause for legal action against Contractor. Defense of any such action shall be the sole responsibility of Contractor.

**27. Cooperation.** In the event that the State has entered into or enters into agreements with other contractors or government institutions for additional work related to the Services provided hereunder, Contractor agrees to cooperate fully with such other parties. Contractor shall not commit any act that will interfere with the work performed by any third party as set forth herein.

**28. Tax Exempt Status.** It is hereby recognized and acknowledged by Contractor that the State of Colorado is tax-exempt and is not liable for any sales, use, excise property or other taxes imposed by any federal, state or local government tax authority. The State of Colorado's FEIN # is 840644739 . The State of Colorado tax exemption number is 98-02565 . The State is also not liable for any taxes of Contractor for franchise or related to the income of Contractor. No taxes of any kind shall be charged to the State.

**29. Time is of the Essence.** Time is of the essence with regard to performance of any service or the delivery of any deliverable under this contract, unless the parties agree otherwise in writing.

**30. Compliance with Law.** Contractor shall adhere strictly to and comply with all applicable Federal, State, and Local laws, statutes, regulations, and executive orders, as they currently exist and may hereafter be amended, which are incorporated herein by this reference as terms and conditions of this contract. Contractor also shall, and shall require its employees to, comply with all applicable State policies and standards in effect during the performance of this contract, including but not limited to policies and standards relating to personnel conduct, security, safety, confidentiality and ethics. Contractor shall obtain and maintain, and shall cause its subcontractors to obtain and maintain all approvals, permissions, permits, licenses, and other forms of documentation required in order to comply with all applicable foreign or domestic laws, rules or regulations. Certain equipment, software and technical data which may be provided hereunder may be subject to export and re-export controls under the U.S. Export Administration Regulations and/or similar regulations of the U.S. or any other country. Contractor shall be responsible for complying with all export and re-export laws and regulations including without limitation, (i) local license or permit requirements, (ii) export, import and customs laws and regulations (such as the export and re-export controls under US Export Administration Regulations and/or similar regulations of the US or any other country) which may apply to certain equipment, software and technical data provided hereunder, and (iii) all applicable foreign corrupt practices acts.

This Contract is made under and governed by the law of the State of Colorado, which shall be applied to the interpretation, execution and enforcement of this Contract. Any legal action commenced to enforce any right or obligation of this Contract shall only be commenced in Federal or State courts located in Denver County in the State of Colorado. The State recognizes that Contractor, in conducting its business in the manner set forth herein, is also subject to the Communications Act of 1934, as amended, and as interpreted and applied by the Federal Communications Commission (collectively, the Act). In the event any rates or charges set forth in or contemplated by Section 4, above, require a tariff or other regulatory filing, such rates or charges shall not be effective until the FCC or State PUC, as applicable, grants any necessary approval.

**31. Publicity.** Contractor shall not release without the State's prior written approval any publicity regarding the program or Services provided herein, including but not limited to, notices, information, pamphlets, press releases, research, reports, signs and similar public notices prepared by or for Contractor, identifying the State of Colorado, the State agency receiving goods or services under this contract; however, Contractor may reference this contract in proposals for other contracts without the State's approval.

**32. Litigation.** Contractor shall, as soon as possible but not later than five (5) business days after being served with a summons, complaint, or other pleading in a case which directly involves Products or Services provided by Contractor to the State under this contract and which has been filed in any Federal or State court or administrative agency, deliver copies of such documentation to the State's representatives listed in section 15 above.

**33. Non-exclusivity.**

This contract is entered into solely for the convenience of the State of Colorado, and in no way precludes the State or any of its user agencies from obtaining like services from other suppliers.

**34. Equipment Ownership and Confidentiality of Records.**

34.1. The CDOC agrees and acknowledges that all telephone instruments, system equipment, recording equipment, software and fixtures, including printers, modems, computers (as inventoried to Contractor) and supplies installed or furnished by Contractor in order to perform the Services, shall remain the sole and exclusive property of the Contractor, third party manufacturers, or the contractor's subcontractor(s) or Licensor(s), as applicable. The Contractor agrees to provide and maintain computer hard drive space in such size and quantity, as is necessary to hold ITS call recordings including completed calls for a minimum of term of the contract and incomplete calls for sixty (60) days. Such recordings shall be accessible on site at the server or on hard disk. The Contractor acknowledges that the content of such recordings, and the recording media on which the recordings are located, shall be the property of CDOC and the tapes or other recording media will be turned over to CDOC upon the expiration or termination of the Contract, with no claim from Contractor. Any intellectual property contained on such media which belongs to the Contractor shall remain the property of the Contractor even though the Contractor will allow possession of the intellectual (proprietary) property to remain with the CDOC and the CDOC shall not disclose or attempt to provide a license or otherwise transmit this property to any other third party. Call Detail Records (CDR) will be stored and accessible to CDOC for a minimum of term of the contract.

34.2. In the event the Contractor shall obtain access to any records or files of the State in connection with this Contract, or in connection with the performance of its obligations under this Contract, which records, files or other information are designated as confidential by the State, by markings, written notice to the Contractor, or other appropriate means, then the Contractor shall keep such records and information confidential and shall comply with all laws and regulations concerning the confidentiality of such records. The Contractor shall notify its employees that they are subject to the confidentiality requirements as set forth above, and shall provide each employee with a written explanation of the confidentiality requirements before the employee is permitted access to confidential data.

34.3 Nothing herein is intended or shall operate as a waiver of any applicable law governing disclosure of records, including the Colorado Open Records Act, CRS § 24-72-101 et seq. The State agrees to provide the Contractor with prompt written notice of requests for disclosure under such laws of any Contractor information within the scope of this clause.

## **SPECIAL PROVISIONS**

These Special Provisions apply to all contracts except where noted in *italics*.

**1. CONTROLLER'S APPROVAL. CRS §24-30-202(1).** This contract shall not be valid until it has been approved by the Colorado State Controller or designee.

**2. FUND AVAILABILITY. CRS §24-30-202(5.5).** Financial obligations of the State payable after the current fiscal year are contingent upon funds for that purpose being appropriated, budgeted, and otherwise made available.

**3. GOVERNMENTAL IMMUNITY.** No term or condition of this contract shall be construed or interpreted as a waiver, express or implied, of any of the immunities, rights, benefits, protections, or other provisions, of the Colorado Governmental Immunity Act, CRS §24-10-101 et seq., or the Federal Tort Claims Act, 28 U.S.C. §§1346(b) and 2671 et seq., as applicable now or hereafter amended.

**4. INDEPENDENT CONTRACTOR.** Contractor shall perform its duties hereunder as an independent contractor and not as an employee. Neither Contractor nor any agent or employee of Contractor shall be deemed to be an agent or employee of the State. Contractor and its employees and agents are not entitled to unemployment insurance or workers compensation benefits through the State and the State shall not pay for or otherwise provide such coverage for Contractor or any of its agents or employees. Unemployment insurance benefits will be available to Contractor and its employees and agents only if such coverage is made available by Contractor or a third party. Contractor shall pay when due all applicable employment taxes and income taxes and local head taxes incurred pursuant to this contract. Contractor shall not have authorization, express or implied, to bind the State to any agreement, liability or understanding, except as expressly set forth herein. Contractor shall (a) provide and keep in force workers' compensation and unemployment compensation insurance in the amounts required by law, (b) provide proof thereof when requested by the State, and (c) be solely responsible for its acts and those of its employees and agents.

**5. COMPLIANCE WITH LAW.** Contractor shall strictly comply with all applicable federal and State laws, rules, and regulations in effect or hereafter established, including, without limitation, laws applicable to discrimination and unfair employment practices.

**6. CHOICE OF LAW.** Colorado law, and rules and regulations issued pursuant thereto, shall be applied in the interpretation, execution, and enforcement of this contract. Any provision included or incorporated herein by reference which conflicts with said laws, rules, and regulations shall be null and void. Any provision incorporated herein by reference which purports to negate this or any other Special Provision in whole or in part shall not be valid or enforceable or available in any action at law, whether by way of complaint, defense, or otherwise. Any provision rendered null and void by the operation of this provision shall not invalidate the remainder of this contract, to the extent capable of execution.

**7. BINDING ARBITRATION PROHIBITED.** The State of Colorado does not agree to binding arbitration by any extra-judicial body or person. Any provision to the contrary in this contract or incorporated herein by reference shall be null and void.

**8. SOFTWARE PIRACY PROHIBITION. Governor's Executive Order D 002 00.** State or other public funds payable under this contract shall not be used for the acquisition, operation, or maintenance of computer software in violation of federal copyright laws or applicable licensing restrictions. Contractor hereby certifies and warrants that, during the term of this contract and any extensions, Contractor has and shall maintain in place appropriate systems and controls to prevent such improper use of public funds. If the State determines that Contractor is in violation of this provision, the State may exercise any remedy available at law or in equity or under this contract, including, without limitation, immediate termination of this contract and any remedy consistent with federal copyright laws or applicable licensing restrictions.

**9. EMPLOYEE FINANCIAL INTEREST/CONFLICT OF INTEREST. CRS §§24-18-201 and 24-50-507.** The signatories aver that to their knowledge, no employee of the State has any personal or beneficial interest whatsoever in the service or property described in this contract. Contractor has no interest and shall not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of Contractor's services and Contractor shall not employ any person having such known interests.

**10. VENDOR OFFSET. CRS §§24-30-202 (1) and 24-30-202.4. [Not Applicable to intergovernmental agreements]** Subject to CRS §24-30-202.4 (3.5), the State Controller may withhold payment under the State's vendor offset intercept system for debts owed to State agencies for: (a) unpaid child support debts or child support arrearages; (b) unpaid balances of tax, accrued interest, or other charges specified in CRS §39-21-101, et seq.; (c) unpaid loans due to the Student Loan Division of the Department of Higher Education; (d) amounts required to be paid to the Unemployment Compensation Fund; and (e) other unpaid debts owing to the State as a result of final agency determination or judicial action.


**11. PUBLIC CONTRACTS FOR SERVICES. CRS §8-17.5-101. [Not Applicable to agreements relating to the offer, issuance, or sale of securities, investment advisory services or fund management services, sponsored projects, intergovernmental agreements, or information technology services or products and services]** Contractor certifies, warrants, and agrees that it does not knowingly employ or contract with an illegal alien who will perform work under this contract and will confirm the employment eligibility of all employees who are newly hired for employment in the United States to perform work under this contract, through participation in the E-Verify Program or the Department program established pursuant to CRS §8-17.5-102(5)(c), Contractor shall not knowingly employ or contract with an illegal alien to perform work under this contract or enter into a contract with a subcontractor that fails to certify to Contractor that the subcontractor shall not knowingly employ or contract with an illegal alien to perform work under this contract. Contractor (a) shall not use E-Verify Program or Department program procedures to undertake pre-employment screening of job applicants while this contract is being performed, (b) shall notify the subcontractor and the contracting State agency within three days if Contractor has actual knowledge that a subcontractor is employing or contracting with an illegal alien for work under this contract, (c) shall terminate the subcontract if a subcontractor does not stop employing or contracting with the illegal alien within three days of receiving the notice, and (d) shall comply with reasonable requests made in the course of an investigation, undertaken pursuant to CRS §8-17.5-102(5), by the Colorado Department of Labor and Employment. If Contractor participates in the Department program, Contractor shall deliver to the contracting State agency, Institution of Higher Education or political subdivision a written, notarized affirmation, affirming that Contractor has examined the legal work status of such employee, and shall comply with all of the other requirements of the Department program. If Contractor fails to comply with any requirement of this provision or CRS §8-17.5-101 et seq., the contracting State agency, institution of higher education or political subdivision may terminate this contract for breach and, if so terminated, Contractor shall be liable for damages.

**12. PUBLIC CONTRACTS WITH NATURAL PERSONS. CRS §24-76.5-101.** Contractor, if a natural person eighteen (18) years of age or older, hereby swears and affirms under penalty of perjury that he or she (a) is a citizen or otherwise lawfully present in the United States pursuant to federal law, (b) shall comply with the provisions of CRS §24-76.5-101 et seq., and (c) has produced one form of identification required by CRS §24-76.5-103 prior to the effective date of this contract.



Revised 1-1-09

Contract Routing Number 09CAA00153

**THE PARTIES HERETO HAVE EXECUTED THIS CONTRACT**

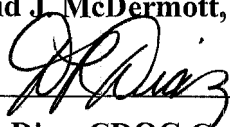
 Persons signing for Contractor hereby swear and affirm that they are authorized to act on Contractor's behalf and acknowledge that the State is relying on their representations to that effect.



<p align="center"><b>CONTRACTOR</b></p> <p align="center"><b>Value Added Communications, Inc</b></p> <p>By: Mark Turner Title: President/COO</p> <p></p> <p align="right">*Signature</p> <p>Date: <u>2/25/9</u></p>	<p align="center"><b>STATE OF COLORADO</b></p> <p align="center"><b>Bill Ritter, Jr. GOVERNOR</b></p> <p align="center">Colorado Department of Corrections</p> <p></p> <p>By: Ari Zavaras, Executive Director</p> <p>Date: <u>3/2/9</u></p>
<p align="center">2nd Contractor Signature if Needed</p> <p>By: Name of Authorized Individual Title: Official Title of Authorized Individual</p> <p>_____</p> <p align="right">*Signature</p> <p>Date: _____</p>	<p align="center"><b>LEGAL REVIEW</b></p> <p align="center">John W. Suthers, Attorney General</p> <p>By: _____</p> <p align="center">Signature - Assistant Attorney General</p> <p>Date: _____</p>

**ALL CONTRACTS REQUIRE APPROVAL by the STATE CONTROLLER**

CRS §24-30-202 requires the State Controller to approve all State Contracts. This Contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder.

<p><b>STATE CONTROLLER</b></p> <p><b>David J. McDermott, CPA</b></p> <p>By: </p> <p align="center"><b>Dennis Diaz, CDOC Controller</b></p> <p>Date: <u>03-06-09</u></p>
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**EXHIBIT A**

**STATEMENT OF WORK  
SPECIFICATIONS FOR  
INMATE TELEPHONE SYSTEM (ITS)**

**1. ITS EQUIPMENT FEATURES AND SPECIFICATIONS**

**A. Base System Overview.** The Contractor will provide all ITS equipment at all sites where ITS is currently installed, replacing or upgrading as necessary equipment, software, or any other necessary component to provide the most current version of the VACI Focus System in the CDOC facilities and privately-managed correctional facilities. The Contractor shall also during the initial term of this contract install the ITS in all new or expanded facilities as directed by CDOC. Due to changes in facilities, facility expansions configurations and system usage, some sites will require more or less equipment than is currently installed at certain sites. See Table A-1, below, for current installation.

The Contractor will continue to provide the VAC Focus System where currently installed and install the VAC Focus System at all CDOC and privately-managed correctional facilities as directed by the CDOC. The VAC Focus System, ITS, will both offer hybrid functionality, providing Collect and Debit calling platforms; Local, IntraLata, InterLata, InterLata InterState and InterState calling capability as well as Debit International calling capability.

If the performance of any component of the ITS at any time consistently performs at below acceptable CDOC and/or industry standards due to usage or age, or any other cause, that component will be replaced or upgraded, as necessary, by the Contractor to meet acceptable CDOC and/or industry standards.

TABLE A-1 EQUIPMENT BY SITE							
SITE	CAMPUS	PHONE SETS	MINIMUM LINES	WORK-STATIONS	LINE EXPANSION	NOTES	INSTALLATION SCHEDULE
Arkansas Valley (AVCF)		73	73	4			
Arrowhead (ACC) [CMC]	East Canon (ECAN)	26	26	1			
Bent County (BCCF)		56	56	3			
Buena Vista (BVCF)		54	52	3	10		
Brush (BCF)		11	11	2			
Canon CID	Territorial (CTCF)	0	1	4			
Centennial (CCF)	ECAN	21	21	1			
Cheyenne Mountain (CMRC)		123	123	2			
Colorado Women's (CWCF)	ECAN	11	21	1			
Golden (CCC)		9	9	1		9 outside phone booths	
Canon Admin HQ	CTCF	0	1	6			
CMHIP	Pueblo Complex						
Colorado State Penitentiary (CSP)	ECAN	48	24	2			
CSPII	ECAN						
Crowley County (CCCC)		123	123	3		88 pedestals/5 rolling	
Delta (DCC)		28	32	2			
Denver Reception (DRDC)	Denver (DRDC)	34	56	3	12		
Denver Women's (DWCF)	DRDC	85	96	2			
DOC Colo Spgs HQ		0	0	7			
Four Mile (FMCC) [CMC]	ECAN	26	27	1			
Fremont (FCF)	ECAN	67	70	1			
Ft Lyon (FLCF)		31	31	3	10		
Huerfano County (HCCF)		45	45	3			
Kit Carson (KCCF)		37	37	3			
Limon (LCF)		55	56	3			
LaVista (LVCF) [old YOS/PMC]	Pueblo (PMC)	12	12	2	15		
Pueblo CID	PMC	0	0	3			
Rifle (RCC)		10	16	2			
San Carlos (SCCF)	PMC	19	19	1	4	5 sets State Hospital	
Skyline (SCC) [CMC]	ECAN	13	13	1			
Sterling (SCF)		135	144	6			
Territorial (CTCF)	CTCF	47	48	1			

Trinidad (TCF)			22	64	1				
Youth Offender (YOS)		PMC	56	56	1				

**B. Centralized Database Server Configuration.** The VAC FOCUS ITS platform will provide redundant database servers and related equipment to be housed and maintained at the Central Operations Facilities (COF) located in Canon City and Colorado Springs, Colorado, and Plano, Texas, for all CDOC and designated privately-managed correctional facilities.

The servers are capable of long-term sustainable performance and are scalable to accommodate system expansions.

The servers have redundancy capabilities incorporated within the design to store inmate database and call records. Inmate database and call records include, but are not limited to, inmate PIN/allowed call list, databases, history of accounts and call detail record reports of all traffic.

The database for each server will be configured with a maximum storage of a minimum of term of the contract inmate information and call records. This information will be stored on a RAID array. RAID storage technology shall also be used where critical data (e.g., financial reports, banking records) will be securely maintained and retrievable in case of disk failure. Any other proposed storage methods for this information must meet the approval of CDOC.

Each database will be connected to the on-site Focus Systems, as well as the administrative, investigative and monitoring workstations, via Contractor-provided and maintained close secure Frame Relay wide area network (WAN), local area network (LAN) or private virtual network (PVN).

**C. On-Site Inmate Telephone System (ITS) Servers.** ITS inmate call processing, recording and monitoring servers will be located at pre-determined CDOC and privately-managed correctional facilities. The on-site ITS servers will provide the facilities call processing, local inmate information storage, and the recording and monitoring functions. All inmate telephones (to include TTY units and cordless phones, as required by CDOC) administrative and investigation workstations, outgoing voice and data circuits will be networked through the ITS servers. Each ITS server will store a minimum of term of the contract of completed call recordings and six months of call attempt recordings for rapid access and retrieval by CDOC personnel and two years of call detail records, as follows:

The servers that VAC will be replacing or upgrading will be built to hold term of the contract of completed call recordings and six months of call attempt recordings. The CDR's will be kept for the same period.

Each unit has its own battery backup uninterruptible power supply (UPS) incorporated into the design, which allows for a period of time that the system can be shutdown systemically in the event power is not immediately restored.

On-site ITS servers will be located at pre-determined CDOC, privately-managed facilities and new or expanded facilities as noted in Table A-1 on page 2 of this Statement of Work. Each ITS site server will be connected to the centralized database servers via the Contractor provided Frame Relay WAN. Each server will be configured for sufficient input and output

capacity to handle the anticipated level of validation and call processing transactions imposed by the inmate population for that specific site. If the input and/or output capacity is found to be insufficient to provide, a commercially reasonable standard the Contractor will make the necessary adjustments to meet CDOC's commercially reasonable expectations. Each on-site ITS will function independently and not be dependent on the centralized database servers to process calls except as agreed to by both parties.

The following equipment will comprise the on-site ITS server configurations, at a minimum, or as each site requires:

- Digital Network eXchange (DNX) or Equivalents, where applicable
- Channel Bank, where applicable
- Routers
- Intelligent Switches or Hubs
- Surge Protectors and UPS

On-site Equipment Summary, at a minimum or as each site requires:

- Controller (Focus)
- Site Server: to include RAID Storage for CDR
- Network Switch or Hub
- Routers as applicable
- Administrative and Investigative Workstations (to include at a minimum: Intel Pentium Processors, writeable CD-ROM, Sound Cards, Speakers, Keyboard, Mouse, Headphones, Printer, Floppy Drive, 10/100 Network Card).
- Admin HQ Networked Printer of sufficient size to handle printing of Reconciliation Reports
- Admin HQ Network Analyzer of sufficient display size for long distance viewing
- UPS/Surge Protector
- Remote Power Boots
- Modem Switch Box
- Remote Access Dialing (where available)
- Media Converters, where applicable
- T-1's
- Adtrans T-1's
- Analog Lines, as applicable

**D. Basic VAC System, operational features and performance specifications:**

- On-Site Recording: Automatic recording of all calls made from the inmate telephone system unless specified by the CDOC. Recording begins at no later than the moment the call connects to the outside Public Service Telephone Network (PSTN) line.

- Call Blocking: System will allow CDOC the ability to block recording of select calls, such as pre-approved attorney telephone numbers.
- Inmate Debit Records: complete compatibility with the CDOC DCIS Canteen program to process and print a report of the upload of Canteen phone time purchases to inmate phone accounts.
- On-site Call Recording Storage: The ITS will be configured to provide on-site system storage of all calls, inclusive of incomplete calls for 60 days and completed calls for not less than the minimum contract term, accessible from the on-site server.
- Recorded Call Lock: System will allow CDOC the ability to lock recorded calls permanently onto the hard drive and the ability to remove the locked calls. The ability to do call locking or unlocking will be controlled by user permissions.
- Writeable CD: Authorized users will have the ability to burn recorded calls to CD for storage and investigative purposes. CD burners will be installed on every ITS workstation.
- Call Detail Record Storage: System will be configured to provide a two years accessible from the on-site or central server.
- Storage Management: System will provide automatic deletion of call attempt recordings exceeding 60 days.
- Hard Drive Recovery: System will be configured with the ability to contain a duplicate copy of all completed recorded calls less than 31 (thirty-one) days and or all locked recorded calls, in the event of a complete failure of the RAID Array.
- Live Monitoring: System will monitor calls active within the System platform. Authorized users can monitor active calls from any workstation on the network, on the LAN and the WAN. Numbers which have been blocked from call recording, such as pre-approved attorney numbers, will not be subject to live monitoring.
- Grouping: Authorized users will have the ability to organize inmate account information by PINs into groups to enable profiling, tracking and controlling the account/PIN if desired.
- Shadow Web Browser: Authorized users will be able, Ad Hoc, to query call records and burn CD's of call recordings by facility, inmate(s), telephone numbers(s), living unit(s), inmate phone set(s), specifying range of dates, etc.
- Automated Attendant: The System platform will be completely automated and will not require the use of a live operator.
- Voice Scripting/Languages: The system will be configured with the option to play voice message announcements in English or Spanish to the inmate, to the called party, or to both. Additional language options will be added if they are available or as they become available as both parties agree.
- Generic Blocking: The system will block all generic numbers such as 911, 411, etc.; 800, 888, 866, 877 or other toll free numbers; NPA specific; NPANXX combination, 10XXX and any other numbers and ranges as required.
- Branding: Prior to call acceptance, the system will automatically play to the called party the recording of the inmate name and announce the call is from a Colorado Correctional Facility. The specific facility will not be identified. The

system will then play to the called party the required FCC recordings stating who the service provider is, what number to dial to get the cost of a collect call and how to block these calls. The announcement recording will also state that all calls except 90-series attorney calls (90-series attorney calls are unmonitored and unrecorded) are subject to monitoring and recording.

- Recording and Monitoring Warning/Voice Overlays: all calls, except unmonitored and unrecorded attorney debit calls, will be announced to both parties that the call is, except for 90-series attorney calls, subject to monitoring and recording. Randomly during the call, at intervals determined by the CDOC, no more than three times in a 20-minute phone call, an overlay announcement will advise the call originates from a Colorado Correctional Facility.
- Incoming Calls: The system will block all incoming calls.
- Caller ID: An originating ANI will be associated with all lines to allow calls to persons with unidentified-caller-type blocks.
- Answer Supervision: The system will provide answer supervision to allow the system equipment to detect when an outbound call is answered by the called party or answering device.
- Called Party Requested Call Blocking Feature: The system call announcement recording will include an option to deny, accept or block all future inmate call attempts to the number. If the called party selects the call block option, the system will provide the called party with a toll-free number. This toll-free number will be to the Contractor who will provide an operator to block collect or all calls to the number. This will not affect the owner of the telephone from receiving general collect calls.
- Call Scripting: CDOC will determine and approve the scripting to be played to the inmate and the called party. Scripting will include any FCC, or other governing agency, required announcements/features, etc. Changes will be worked in good faith with the CDOC. See paragraph H., below.
- Electronic Shutdown: System will be programmed to allow authorized users to disable the phone system by facility or facilities, living unit(s), phone set(s), or inmate phone account(s) from any system workstation via a software defined "cut-off" or "cut-off after current call" feature in the system.
- Pre-Programmed Shutdown: The system will be programmed to allow for system-wide or facility or living unit/phone set specific on/off time periods for all inmate phones. This feature will allow for on/off time period in 30-minute increments by days of the week as well as holiday, starting at 00:00 hours through 23:59 hours.

**E. Specific ITS Features.** In addition to the features stated above, the system will include at a minimum any and all features, tasks and reports, currently being utilized at the time of this Contract:

**1. ITS Features:**

To include all features currently being utilized:



- All transactions are sent to the main server at CDOC Admin HQ and VAC server, then replicate back to the site, then replicate to the back up server
- 3-way Call Detect (flags call)
- Extra Dialed Digit Detect (flags call and cuts-off if more than allowed number [4] is detected)
- Approved attorney numbers not subject to live-monitoring or recording
- Call Branding (all calls announced as coming from a Colorado correctional facility)
- Random Overlay Call Branding, at intervals determined by CDOC
- Warning that call has 1-minute and then 30-seconds remaining
- The time used for call setup and any call recordings are not included in the active time of the call that the inmate or the called party must pay for or are allowed
- Call prompts for inmate and/or called party can be set for English or Spanish, or any currently available language option
- Inmate name recording stored in the on-site equipment
- Inquiry: inmates may check their debit balance or cost of their last debit call
- Calls require positive acceptance on debit as well as collect calls, except for 90 series pre-approved attorney debit calls as designated by CDOC
- All inmate access to the anonymous incident reporting line 800 number, without cost, recording or call record (to meet Federal PREA requirement)
- Network Analyzer at CDOC Admin HQ
- Back-up of primary server at CDOC Admin HQ
- Redundant Server at CDOC HQ
- Real-time deduction of debit call costs
- Minimum allowed call 3-minutes, or any minimum time determined by CDOC
- Frequently Dialed Number Reports
- Staff user permissions, also allows CDOC Inspector General's office to manage the user accounts
- Calls, recordings or live, available on the LAN or across the WAN
- Call recordings can be stored or burned to CD, for investigative or court use
- Inmate accounts available on the LAN or across the WAN to approved users
- Turn phones off and on remotely by approved users
- Remote system user administration
- Monitoring of network (servers, routers, switches, etc) remotely
- All call processing recordings and prompts
- Call announcement and carrier identification (as required by FCC,

PUC, etc)

- Call cost quotes including applicable fees and taxes, etc. (as required by FCC or other governing agencies)
- Number for citizens to call to block their number from inmate(s) calls
- How to accept the call, how to decline the call
- Real Time movement of accounts and application of deposits/withdrawals
- RAD. Remote Access Dialing, feature that allows calls to made through the ITS from any location by authorized users utilizing the proper access codes, to determine/resolve/test functionality or other ITS issues.

**F. ITS Tasks:**

To include all features currently being utilized:

Inmate Account Features/Controls:

- Create/update inmate phone accounts
- PIN auto-generated
- Ability to:
  - Change PIN
  - Change CDOC #
  - Alert
  - Suspend
  - Suspension beginning and Ending Date/Time auto-applied
- Select inmate heard prompts/recordings to play in English/Spanish
- Comments Field, 250+ characters
- View History (calls, deposits, withdrawals, transfers, releases, suspensions, inquiries, running account balance)
  - Sort by Ascending/Descending
  - Select Display Month/Year
- View Call Records (calls, call types, duration, charge, call result, Alerts)
  - Sort by Ascending/Descending
  - Select Display Month/Year
- Telephone List
  - Enter, delete or change speed dials and numbers
  - Remove disallowed numbers (victims, staff, etc)
  - Allow Debit or Collect
  - Alert
  - Record/Not Record for approve attorney numbers
  - Comments
  - Called Party Language (English or Spanish)
  - Allowed Extra Dialed Digits (to negotiate attorney automated attendants)

- Allowed Active Telephone Numbers
- Allowed Maximum Active Telephone Numbers
- Allowed Declined Calls
- Call Limit Status
  - Number of Allowed Collect/Debit Calls, Minutes and Inquiries by Week/Month
- Telephone Assignment (restricts inmate use by telephone set)
- Access Control
  - Inmate Class of Service (allowed calling levels)
  - Call Schedule (allowed calling days and times)
  - Require Approved List
  - Allow Special Number List
  - Use Call Branding
  - Use Intermittent Message
  - Allowed Maximum Telephone Numbers
  - Allowed Inquiries
- Canteen Controls
  - Not currently in use, with programming would allow inmates to make purchases/withdrawals through Inmate Banking

#### Multiple Telephone List Update:

- Update speed dial list
  - Add , change or delete phone numbers and/or speed dials
  - Comments
  - Allow/Disallow Debit or Collect
  - Alerts
  - Allow Extra Dialed Digits
  - Record/Not Record
  - Allowed number of Active Telephone Numbers

#### Automated Deposits:

- Downloads phone time purchases from Canteen/DCIS
  - Applies deposits at the inmate's current location
  - Prints report of inmates who do not have active accounts for manual deposits/credits

#### Manual Financial Transactions:

- Manually applied deposits or withdrawals (Real Time)
- Transfer accounts between facilities (Real Time)
- Release (inactivate) inmate accounts (Real Time)

#### Enable/Disable Telephones:

- Turn off/on inmate phone sets by set, multiple sets, living unit or units, facility
- Option to Disable After Current Call or Cut-Off

- Reset Inmate Name Recording

View Calls in Progress:

- Shows calls currently in progress at selected facility (Alerts, CDOC, Name, Duration, Set, Line, Number)

Web Shadow:

- Used by Intel and Investigators for archived call monitoring/recording/burning calls, etc.

SNITCH

Calls placed by alerted inmates and/or to alerted phone numbers will call or page the investigator who can then listen to the call remotely.

System Administration:

- Class of Service Maintenance, multiple Classes of Services can be created, changed, deleted
  - Inmate COS
  - Allowed Debit and/or Collect calls by Day, Week or Month
  - Allowed Minutes Between Calls
  - Maximum Minutes Per Call
  - Maximum Declined Calls
  - Allowed Inquiries
  - Canteen Controls (not currently in use)
- Telephone COS
  - Call Schedule (Days of Week/Time)
  - Holiday Schedule
- Living Unit Maintenance
  - Create, Change Delete Classes of Service by Living Unit
- Telephone Location Maintenance
  - Assign phone set name, living unit, location, record channel, Phone COS, Holiday Override
- Facility Telephone Number Control
  - To manage telephone numbers from being called from that facility
  - Can select Block, Debit, Collect, Maximum Number Digits, Alert, Number of Days, Comments, International
- System Wide Telephone Number Control
  - To manage telephone numbers from being called by any CDOC facility
  - Can select, Block, Debit, Collect, Maximum Number Digits, Alert, Number of Days, Comments, International
- Facility Default Maintenance
  - Assign facility default (debit, collect, class of service, originating ANI, language, Alert, Extra Dialed Digits, Maximum Allowed Numbers)

User Administration:

- Security Level Access (available by user permissions)
  - Creates/assign security levels to view, add, change or delete by selected features
- User Alerts (available by user permissions)
  - Creates Alert User Levels

**G. Contractor Provided System Components.** The Contractor will provide all services, hardware, software, maintenance and features that are currently part of the CDOC ITS, and any additional components that would be needed to provide the no less than same quality and quantity of service, to include but not limited to:

- Network and all associated hardware
- T-1's and phone trunks as necessary
- Analog lines as necessary
- Adtrans T-1, where applicable
- LARSCOM, if applicable
- Main and back up servers and servers at all sites
- Trouble ticket manager (single point of contact for repair and development)
- Colorado Customer Service Center (citizen contact for collect calling issues and block requests)
- VAC Focus ITS
- phone sets, phone set maintenance, including TTY units, equal access TTY units and cordless phones, type and number of all types of sets determined by CDOC in good faith with the Contractor
- Local, IntraLata, InterLata, InterState, InterLata IntraState and International calls
- Workstation (administrative, monitoring and investigative PC's), accessories and printers
- A project manager and three in-state technicians
- Call validation and LIDB
- Anonymous Incident Reporting Server (See Section O., below)
- All Collect call management (billing, collections, blocking, etc)
- Direct Bill service for citizens with unbillable phone numbers
- Call Blocking service for citizens
- V-Connect

**H. System Scripting**

Contractor will provide and maintain all ITS scripting as required by the Contractor, CDOC, the FCC and any other governing agencies. Any scripting currently part of the ITS at the time of this contract will remain in place, regardless if it is listed here or not, and will not be altered without the written consent of the CDOC. Any scripting that is applied to any new or expanded facilities, including the four privately-managed facilities to be installed, will conform to the scripting in place

at all DOC facilities. The Focus version of the ITS offers some additional scripting options. Scripting will offer no less than the following:

1. Inmate goes off-hook, receives dial tone
2. Inmate inputs DOC number, PIN and one of the speed dial numbers assigned to the inmate's phone account
  - If no response within 30 seconds for any prompt, the system will error out, return to dial tone and erase recorded file
  - <TONE>
  - The system will create a recording no later than when a call goes out on a trunk
3. If an invalid CDOC number, PIN or speed dial is entered, the system prompts
  - "The PIN you have entered is invalid. Please hang up and try your call again."
  - The system plays the same recording in Spanish.
  - <DISCONNECT SIGNAL>
4. If information entered is correct, the system prompts:
  - "For a Debit call dial 1, for a Collect call dial 2"
  - The system will then play this same recording in Spanish
5. If this is the first time an inmate is attempting a call on this call processing unit, the inmate would be prompted:
  - "At the tone please state your name"
  - <TONE>
6. If the information entered is correct, the name recorded, sufficient funds are available for a minimum 3-minute debit call OR the called number validates as good for collect, the system prompts:
  - "Your call is being processed"
7. For a Debit call, if the inmate has insufficient funds, the system prompts:
  - You have insufficient funds to place this call"
  - <DISCONNECT SIGNAL>
8. For a Collect call, if the called number does not validate as good for collect the system prompts:
  - "This number you are calling is blocked by (Contractor name)"
9. Other possible blocked call scripting:
  - "The number you have called is blocked by the correctional facility"
  - "Your phone account has been restricted by the correctional facility"
  - "The system is not available for debit (or collect) calling. Please try your call again later."
  - "Your PIN is already active"
10. Once the call has been delivered to an out-going trunk, but the call does not successfully connect, the inmate may receive one of the following responses:
  - "Your call has not been answered, please try your call again later"
  - "Your call cannot be completed as dialed. Please check the number and dial again"
  - "All lines are busy. Please try your call again later"
11. If the system detects the called party did answer a debit call, the system prompts the called party:

- “VAC. Except for 90-series attorney calls, this call maybe monitored or recorded. I have a prepaid call from \_\_\_\_\_ (plays inmate name recording) at a Colorado State Correctional Facility. To accept dial 5 and wait for connection, to refuse hang up.”
- 12. If the system detects the called party did answer a collect call, the system prompts the called party:
  - [Local or IntraLata] “VAC has a collect call for you. Except for 90-series attorney calls, this call maybe monitored or recorded. I have a collect call from \_\_\_\_\_ (plays inmate name recording) at a Colorado State Correctional Facility. If you wish to accept and pay for this call dial 5 now. If you wish to block any future collect calls dial 7-7. To refuse this call, hang up.
    - If 7 is pressed, the system prompts the called party:
      - “Are you sure you want to block future calls of this type from this inmate? Dial 6 to confirm.”
  - [InterLata or InterState] in addition to the above Local and IntraLata collect recording, the system will also prompt the called party to “to hear the cost of this call by 8 now”. Or whatever is required to meet FCC and any PUC requirements.
- 13. Once the call has been answered and the system prompts begin to play, the inmate and called party will be unable to hear each other until the called party presses 5 and the call is connected. Both sides will be able to hear the system prompts.
- 13. Every six to eight minutes, but no more than 3 (three) times per call, to be determined by the CDOC, the system plays a random overlay recording:
  - “This call is from a Colorado State Correctional Facility”
- 14. At 1 (one) minute and again at 30 (thirty) seconds before the call will terminate, the system will prompt both the inmate and called party:
  - <TONE> or “you have one minute remaining” and/or “you have thirty seconds remaining”.

**I. Service and Maintenance.** For overall ITS maintenance, Contractor will provide four full-time on-site technicians as well as a full time project manager. If necessary, Contractor will subcontract with other Contractors to provide service and maintenance, with CDOC’s approval which will not be unreasonably denied. On-site technicians will be officed out of the CDOC ITS Admin HQ office in Canon City and will work at the direction of the CDOC ITS Coordinator, or designee. Contractor will act as the CDOC’s single point of contact for all service and maintenance issues related to the ITS, regardless of the responsible subcontractor or carrier.

**J. On-Site Personnel/Security.** Each Contractor employee or subcontractor employee assigned to provide on-site support of the ITS will be required to have and pass a background check by the CDOC. Contractor understands that upon any such person(s) entering a CDOC or privately-managed correctional facility, additional security screening will/maybe required. Contractor further understands that CDOC reserves the right to approve, disapprove, or suspend an individual’s security clearance at any time. Any Contractor employee or subcontractor must meet any dress code requirements and follow all CDOC rules and regulations at all times.

Contractor will provide a complete list of the technicians, supervisors, and managers who will have the responsibility of supporting the ITS. The list will be kept up-to-date and CDOC will be notified

of any changes within twenty-four hours and at least forty-eight hours prior to entry of any new personnel.

Contractor understands that the CDOC reserves the right to reject any Contractor employee or subcontractor employee which may be considered for any part of this contract. Contractor understands the CDOC may reject any contractor employee or subcontractor employee without cause.

Contractor understands that CDOC policy requires that all permanently assigned maintenance and ITS equipment personnel who will be working within the correctional facilities of the CDOC and the privately-managed correctional facilities are required to attend and pass the CDOC basic training course. Maintenance and ITS equipment repair personnel, who are not permanently assigned but are subcontractors serving as the designated repair persons, will apply for and obtain a CDOC Contractor ID.

**K. Contractor Maintenance Responsibility.** Contractor, and any subcontractors, is responsible for the following:

- Providing all necessary labor, transportation, parts, tools, installation, movement and materials to maintain the ITS, including telephones, TTY units, cordless phones, the complete system call control, recording, monitoring equipment and platform, lines, circuits, frame relays and any associated hardware or software, or any other necessary component of the ITS. All ITS telephones and associated equipment will be maintained in such a manner that they are in good working order as well as in compliance with the manufacturers' specifications and any preventative maintenance, and sufficient telephones and associated equipment to provide the ITS service and meet ADA requirements.
- Prior to any work to be performed either on-site or remotely, Contractor will coordinate the schedule and plan with the CDOC ITS Coordinator or designee, or CDOC CIPS on-call duty officer.
- Contractor will maintain a warehouse, at a central location in Colorado, an inventory of spare parts for each component of the ITS. If a necessary repair component cannot be obtained from the in-state inventory, Contractor will locate the necessary component and have it shipped priority overnight.
- CDOC will maintain all inside and outside plant cable within CDOC facilities to support the ITS platform equipment and the inmate telephones. Privately-managed correctional facilities will maintain all inside and outside plant within privately managed correctional facilities to support the ITS platform equipment and the inmate telephones.
- All Contractor technical, technical support and account management personnel will carry a cellular phone and pager. All Contractor permanently assigned technical staff will carry cellular phones and pagers that are compatible with the CDOC; the CDOC



will handle the purchasing and payments for the cellular phone and pager equipment purchase and monthly statements, to be reimbursed in full by the Contractor upon the Contractor's receipt from the CDOC of paperwork requesting payment.

- The Contractor will utilize a technical support center which will remotely and constantly monitor all functions of the ITS, proactively reporting and responding to any observed issues. The CDOC and Contractor in-state technicians will be kept advised of any ITS issues.
- Any and all ITS upgrades necessary to maintain functionality, repair problems, meet FCC or other governing agency requirements or implement software changes.
- The Contractor will submit a Software Change Notice (SWCN) to the CDOC for prior approval for any software changes or modifications made to the ITS. SWCN's will be completed by the Contractor, stating the problem to be corrected, the anticipated result if the SWCN is not completed, the estimated dates of implementation and places for signature of the CDOC responsible person (inmate phone system coordinator or designee).
- Call scripting is accurate, appropriate and current.

**L. Trouble and Maintenance Reporting Processes.** Contractor will provide the CDOC with toll-free access to the Contractor's trouble reporting center. The trouble reporting center will be operational 24 hours a day, 365 days a year. The trouble reporting center will be responsible for receiving reports of trouble, notifying the appropriate repair center or person, escalation as necessary and providing updates to the CDOC ITS Coordinator or designee. See Table L-3-1 for trouble ticket priority and response times.

Contractor will provide the CDOC with a technical support team to constantly monitor the performance and functionality of the CDOC ITS, along with any associated systems, call processing, circuits, frame relays, etc., to ensure optimal performance. This includes the technical support and trouble reporting center accepting incoming service requests to ensure that all requests for service are immediately responded to and resolved appropriately with minimal impact.

Upon being contacted by the CDOC or Contractor technician, the trouble reporting center will open a ticket. Reports can include, but are not limited to, reports of system or call processing malfunctions, requests for site visits, preventative maintenance requests or scheduling, site surveys, or moves, adds and changes. The trouble reporting center will then dispatch the appropriate area or team member to either resolve the issue remotely or on-site. The trouble reporting center notifies the account/technical manager of all issues with the ITS. If the issue cannot be resolved remotely and/or on-site assistance is necessary, the necessary staff or equipment will be dispatched to the CDOC location. Maintenance technicians are available 24 hours a day, 365 days a year.

The trouble reporting center or Contractor technician addressing the trouble ticket, will immediately respond back to the customer acknowledging receipt of the issue. The trouble reporting center will keep the customer advised of the status of the ticket. Response times and reporting times will be dependant on the priority of the ticket. Access to any facility will be coordinator through the CDOC ITS Coordinator or designee, or the CIPS on-call duty officer.

It is understood that CDOC's personnel may on occasion contact or submit requests for service directly to the Contractor's subcontractor(s), if any are utilized by the Contractor, but CDOC must also contemporaneously inform the Contractor's trouble reporting center of all such service issues and requests.

## **1. Escalation**

If CDOC or the Contractor determines escalation of an issue is required to resolve an issue, including inadequate response to service calls, frequent repetition of the same service problem and/or inadequate repairs to the ITS. CDOC may contact any member of the Contractor service and management team if it wishes to express a concern or discuss an issue.

## **Contact List for the VAC Customer in Regards to any TAC Related Issues**

For matters regarding a technical nature CDOC may request a list of contact information which includes names, telephone numbers and email addresses.

For matters regarding a service or business nature CDOC may request a list of contact information which includes names, telephone numbers and email addresses.

## **2. Contractor Trouble Reporting Center**

As referenced throughout this section, the Contractor will utilize a trouble ticket management system accessible to the CDOC by phone or email. The trouble reporting center will maintain the following but not limited to: list of facilities, facility point of contact and call back numbers, Contractor technicians/account management personnel assigned to this account, escalation contact list, CDOC BT-Communications on-call duty officer contact numbers, circuit ID numbers, Qwest ANI numbers and any subcontractor or service provider contact numbers.

The trouble reporting center will utilize a trouble ticket management system which will contain information to report, track and produce reports of trouble issues.

### 3. Priority Levels.

**Table L-3-1. Priority Levels Description:**

<b>PRIORITY LEVEL</b>	<b>CLEARANCE OBJECTIVE</b>	<b>DESCRIPTION</b>
Priority 1 (Major Emergency Service Request)	4 business hours	<p>The highest priority level, this classification indicates a loss of service, or serious impairment to service, which cannot be circumvented. Examples:</p> <ul style="list-style-type: none"> <li>• Circuit outages</li> <li>• Location has loss of service affecting greater than or equal to 20% of total service</li> <li>• High error rates or disconnected calls</li> <li>• Inability to complete calls to or from a particular location</li> <li>• Failure of a local or remote processor, its common equipment or power supplies which render the system incapable of performing its normal functions</li> <li>• Failure of the recording equipment or any of its components</li> <li>• Failure of 20% or more of the inmate telephone at any one area within a facility</li> <li>• Failure of the ITS functions that result in the ability of inmates to place calls without use of PINs or to reach a live operator</li> </ul>
Priority 2 (Routine Service Request)	8 business hours	<p>Service-impacting events not classified as Major Outages. Examples:</p> <ul style="list-style-type: none"> <li>• Location has loss of service affecting less than 20% of total service</li> <li>• Failure of less than 20% of the inmate stations in any one area within a facility</li> </ul>
Priority 3	72 business hours	Indicates a non-service affecting issue such as an informational ticket or a ticket opened for monitoring circuits with no current impairments
MAC (Move-Add-Change)	TBD	Requests for moves, adds or changes to the ITS at any location

Tickets are also used to identify recurring service issues reported against the same service element. A recurring service issue is defined as “chronic” when three or more tickets are opened on the same service element within a rolling, 30-day period.

Once identified, a chronic ticket is opened to address the issue to determine its root cause. This activity may involve extensive testing, review by a second level support group and other actions deemed appropriate to ensure resolution. The Contractor is responsible for coordinating this analysis. When necessary, a Contractor meeting may be scheduled if the issue may involve more than one service provider of the ITS.

**4. Remote Diagnostic and Proactive Monitoring.** The ITS will be configured to provide for proactive system and performance monitoring. The Network Analyzer is a read-only access application that monitors the ‘real-time’ status of the WAN and certain ITS applications. Network Analyzers will be located at the Contractor’s technical support center as well as at the CDOC ITS Admin HQ in Canon City, Colorado.

If a malfunction occurs, the proactive monitoring system will notify the Contractor. After notification a Contractor technician will remotely access the system via the WAN or dial-up modem to investigate and correct the malfunction. If the trouble cannot be corrected remotely, the Contractor will dispatch the appropriate technician to the site where the malfunction is occurring.

The Network Analyzer will provide a screen shot of Ping, Connection and Replicator, as follows:

**Ping:** The ping is the physical connection to the machine. A ‘P’ identifies the ping column, which is the first column of boxes. Green boxes in this column indicate that the connection from the COF in Canon City to network nodes is functioning properly. A red box in the ‘P’ column indicates an outage at that particular facility; therefore no connection has been established.

**Connection:** The connection the link to the database. A ‘C’ identifies the connection column, which is the second column of boxes. Green boxes in this column indicate that database access for each site server has been established. If there is a site row that has a red box in the ‘C’ column, this indicates no database access is available for the site.

**Replicator:** The replicator accesses the count of records located in the XACTION Tables. The replicator has two designated fields, the ‘R’ identifies the replicator column, which is the third column, and the blue numbers immediately to the right of the third column. The blue number is the ‘real time’ count of records for each site. Green boxes in this column indicate that the replicator is active and operational. A yellow box indicates a warning to the user that a large volume of records are being

created and could cause a backup if the count on the "Thru-Put" graph does not decrease. A red box indicates that there is a problem with the replicator. If the box in this column is not green for a site, the blue number is not a valid record count.

**M. Disaster Recovery.** Contractor's will develop and maintain a Disaster Recovery and Contingency Plan.

**N. ITS Implementation Plans and Schedules.** The Contractor will ensure all circuits and lines are assigned to the Contractor. The Contractor will ensure any equipment required by the ITS and this Contract is installed, tested and fully functional by the contract effective date at the existing CDOC and privately-managed correctional facilities.

The CDOC will provide the data network, either on the CDOC WAN or by VLAN. The BT-Communications Network Manager will liaison with the Contractor network staff to ensure full functionality and network protection. In the event the CDOC network is not available, the Contractor will provide the necessary Wide Area Network.

Each workstation will consist of the PC, minimum 17" monitor, CD Burner, speakers, headset or cordless headset, mouse, keyboard, printer and any necessary software and license required for access to the ITS.

The equipment necessary to support additional or expanded CDOC sites and privately-managed facilities outside of this Contract, will be incorporated into the Contract as mutually agreed upon by CDOC and the Contractor. Call scripting at any newly installed privately-managed facilities will be the same as the call scripting for CDOC facilities.

New facilities in schedule for the CDOC will be provided a FOCUS ITS and the inmate handsets per the requirements of the CDOC. There will be no cost to the CDOC with regard to new systems being engineered and installed within the new facilities. Contractor will work directly with the CDOC to determine system sizing with regard to the number of inmate telephones and communication links.

**O. REPORTING.** The ITS and workstations have been configured by user permissions to provide DOC with the ability to generate real time reports for investigative and management purposes.

#### **1. ITS Reports**

All Reports allow selection by user of facility or facilities, All Inmates, Selected Inmate or Inmates, Active or Inactive Inmates or Both, Start/Ending range of Dates/Times, Print or Preview, completed calls or attempted calls or both, debit or collect or both, Wild Cards can be used. To include but not limited to:

##### Financial:

- Call Refund
- Daily Call Charges
- Facility Debit Balance Report
- Financial Transaction Report (deposits, withdrawals)
- Inmate Deposit

- Reconciliation Report (used monthly to provide inmates with accounting of debit transactions, used daily to verify no outstanding balances or calls prior to releasing inmate accounts, also functions as “true-up” for all inmate accounts by performing a reconciliation of all accounts)

Maintenance:

- City by NPA-NXX Search
- Local Exchanges
- Non Area Code/Exchange Attempts
- Percentage Grade of Blocking
- State by NPA Search

Investigative:

- Account Telephone Number List
- Alert Notification
- Approved Telephone Numbers (active numbers on a list or lists)
- Call Detail, will contain at a minimum:
  - Inmate CDOC ID number
  - Originating telephone station
  - Time of call
  - Trunk, line or station
  - Date of call
  - Duration of call
  - Telephone number called
  - Call completion code
  - Cost of call, if debit
- Calls From PIN Not at Facility
- Chronological List of Calls
- Currently Suspended Telephone Accounts
- Extra Dialed Digits
- Facility Blocked Telephone Numbers
- Inmate Directory
- Inmate History
- Inmate Transfers
- Invalid PIN Attempts
- New Inmate(s)
- Quantity of Calls Placed
- Quantity of Minutes Placed
- Released Inmates
- Speed Dial Search (search for numbers called)
- SystemWide Blocked Telephone Numbers
- Telephone Numbers Called by More Than One Inmate
- Telephone Numbers Listed in More Than One Account
- Telephone Number Usage (by telephone number)

- Toll Free Numbers Called by Inmates
- Toll Free Phone Numbers on Inmates List
- 3 Way Call Detect

**2. Reports Generated by the Contractor, Available to CDOC on Demand or by CDOC Pre-determined Schedule.**

On-demand reports will include but not limited to:

- Monthly Revenue Reports: Reports listing for a specified period by facility, call type, duration and cost. The Monthly Revenue Reports will be sent to CDOC by call type: debit or collect, and by carrier (if more than one). These reports will include the debit and collect call costs. These reports will have the option to provide CDOC with a breakdown by facility by day as well as a summary report. The summary reports will be provided to CDOC within 7 days of the end of the month to be reported. This report will correspond to the billing tapes sent to the Contractor by any telephone carrier associated with the CDOC inmate phone contract. This report will include an average, by call type and by carrier as applicable, for each call type, of revenue, number of calls and duration.
- Debit Sales by CDOC Report: Summary of debit call revenue generated by facility or facilities. The report will contain fiscal year average inmate population, total debit revenues and annualized average total debit revenue per inmate. The report will contain revenue, annualized average revenue per inmate and number of active inmate accounts with no debit activity during selected period for each debit call type (local, long distance and international).
- Cumulative Usage for Fiscal Year Report: Report, for each call type (debit and collect; local, long distance and international) of percentage of total call minutes, with totals and averaged for each.
- Frequently Dialed Number Report: Report detailing by debit or collect or both, phone numbers called with parameters settable to date range and number of calls, showing facility, number of calls, number of minutes and total cost.

**3. Ad Hoc Reporting.**

In the event that CDOC requires any additional reports, the Contractor agrees to consult with CDOC, in an effort to meet these additional requirements and requested information.

**P. Anonymous Incident Reporting Server.** The anonymous incident reporting server is an interactive voice mailbox-type server to be designed to the specifications of the CDOC Inspector General's office for Interdiction/Crime Reporting/Prison Rape Elimination Act. Server must allow anonymous calls from DOC inmates as well as the public utilizing by a toll-free number provided by CDOC. CDOC inmates will be able to call the anonymous incident reporting server from the ITS; no call record or recording will be created; there will be no cost to inmate for calls to anonymous incident reporting server. Inmates will be able to leave a one-time message or inmates will have the option to create a PIN to be able to leave and retrieve messages from the Inspector General's Office (IGO) authorized staff. Workstations, as necessary, will be provided for authorized staff to access



the anonymous incident reporting server. The Contractor shall provide all necessary hardware and software; CDOC shall provide the in-house wiring and the toll-free number. The equally accessible TTY units in the living units or pods will have equal access to the Anonymous Incident Report System.

1. **Server and Associated Hardware and Software.** Contractor shall determine and provide the server and any associated hardware and software necessary to provide the anonymous incident reporting server at the CDOC Headquarters office in Colorado Springs.
2. **Workstations.** Contractor shall provide workstations and any required software licenses for IGO authorized staff to access the anonymous incident reporting server.
3. **Training.** Contractor shall provide training necessary for Contractor on-site staff to be able to maintain the server and software. Contractor shall provide training for the IGO staff authorized to access the server.
4. **Site Location, Wiring and PBX Connectivity.** CDOC shall provide the location at DOC Headquarters office in Colorado Springs, any necessary in-house wiring, the toll-free number and the connectivity to the staff phone system.
5. **Server Scripting.** Scripting will be as follows. Changes will be made as necessary to meet CDOC requirements, format, volume or quality.

**Step 1. Receive an incoming call**

- 1.1 Get and check the DNIS.
- 1.2 "Press one for English, (in Spanish) press two for Spanish."
- 1.3 Play either English or Spanish for all prompts below
- 1.4 If the call is from Inspector General Office (IGO), go to step 6.

**Step 2. Play greeting:**

- 2.1 "Thank you for calling the Colorado Department of Corrections Prison TIPS. All interactions you have with this system are completely anonymous. This system is for past and on-going criminal activity. It is not designed for grievance issues. If you have a grievance issue, follow the designated procedure for those complaints. If your feel your situation is an emergency, contact a staff member immediately."

**Step 3. Play main menu:**

- 3.1 "Main menu: Please listen to all of the following options:
- 3.2 "If you are calling to leave a one-time tip press 1 (go to step 4)
- 3.3 "If you are calling to leave a TIP and interested in receiving a response from your information, you must open a voice mailbox for messaging between you and the Inspector Generals Office. Please have a pen and paper available and press 2. (go to step 5)
- 3.4 "If you are calling to check an existing voice mailbox please have a pen and paper available and press 3" (go to step 6)
- 3.5 If pressed 0, repeat this menu.

- 3.6 Otherwise, go to step 8 to exit.
- Step 4. Inmate leaves one-time message:**
- 4.1 "You have chosen to leave a one time message. Leave a clear and concise message with as much detail about the crime you are calling about. You will have 3 minutes to leave this message. At the tone leave your message when you are finished press #"
- 4.2 **<Tone>**
- 4.3 The system records and saves the message.
- 4.4 "The Department and the State of Colorado appreciate your help in protecting all our families."
- 4.5 (go back to step 2)
- Step 5. Inmate opens a new mailbox:**
- 5.1 "You have chosen to open a voice mailbox to leave your tip and correspond anonymously with the Inspector Generals Office."
- 5.2 "If you wish to continue press 1"
- 5.3 "if not please hang up. " (go to step 8 to exit.)
- 5.4 The system generates and tells the caller the first available mailbox and a random four digit pass code.
- 5.5 "To repeat, please press 1." (go back to step 5.1) repeatedly telling the mailbox number and passcode).
- 5.6 "To continue, please press two."
- 5.7 "Please speak clearly and give as much information as possible about the crime you are reporting. You will have 3 minutes to leave your message. Please call back in and check your mailbox for messages every 3 days. At the tone leave your message when you are finished press #."
- 5.8 **<Tone>**
- 5.9 The system records and saves the message in the mailbox.
- 5.10 "The Department and the State of Colorado appreciate your help in protecting all our families."
- 5.11 Go back to step 2.
- Step 6. Retrieve voice mails:**
- 6.1 The system asks the caller to enter the mailbox number and associated pass code. If the mail box exists and is active, the system retrieves all new and saved voice messages left by the IGO, start from the latest one. Then play:  
"You will have 3 minutes to leave your message. At the tone leave your message when you are finished, press #."
- 6.2 The system records and saves the message in the mailbox.
- 6.3 Go back to step 2.
- Step 7. IGO leaves message:**
- 7.1. The system asks IGO to enter the mailbox number to leave the tip message.
- 7.2. "At the tone leave your message when you are finished press #."
- After the IGO leaves the message,
- 7.3. "To send this message to the mail box, please press one,"

Save this tip message into this mailbox. (go to step 7.4)

- “To review the message, please press two,” (The system plays the recording, and back to step 7.3).
- “To re-record the message, please press three,” (The system deletes this message and goes back to step 7.2).
- “To delete the message, please press four,” (go back to step 7.4).
- “To skip the message when reviewing, please press zero.” (The system retrieves the next message).

7.4.

- “If you would like to record another message, please press one” (go back to step 7.1)
- “Otherwise, please press two or simply hang up.” (go to step 8 to exit)

**Step 8. Terminate this call**

6. **Server Storage.** Recordings will be maintained and accessible for the term of the contract.
7. **Server Maintenance and Support.** The Contractor shall provide all maintenance and repair. The Contractor shall provide any upgrades necessary to provide complete maintenance and repair.
  - a. All Anonymous Incident Reporting Server related functionality issues reported to the Contractor will be considered Priority 1 Repair issues, unless the CDOC determines otherwise.

**Q. V-CONNECT.** Contractor will provide the V-Connect program which assists inmate outside contacts with collect calling and billing issues.

1. V-Connect will be available to members of the public who wish to resolve collect billing or payment issues by a Contractor provided toll-free number.
2. Contractor will supply sufficient staff and resources to provide customer service and responsiveness to member of the public who need assistance.
3. Any issues CDOC may have with V-Connect performance will be addressed through the Contractor provided Project Manager for this contract.

**R. TTY (Teletypewriter: text telephone for the hearing impaired).** Contractor will provide TTY units as directed by the CDOC.

1. Contractor will install approximately thirty-three (33) kiosks for the purpose of TTY communication for the hearing impaired before the end of April 2009. Engineering, installation and support of the TTY kiosks will be at no charge to the CDOC. Contractor intends to utilize the vendor that has recently supplied eight (8) units to the CDOC; specifications will meet CDOC requirements. Contractor will provide any necessary

hardware, software, development, installation, maintenance, repair except for in-house facility wiring which will be provided by the CDOC.

2. Equal access TTY units will have the same functionality, security and features as the regular ITS phones.
3. Contractor will supply the necessary hardware, software and training too allow the same access by CDOC staff for live call monitoring and archived call recordings.
4. Length of TTY calls will determined by the CDOC.
5. Offenders allowed to use the equal access TTY units will also have access to the regular ITS phones.
6. Equal access TTY units will have the ability for TTY to TTY or TTY to TRS (Relay Service), as applicable for the call placed.

**S. Inmate Banking.** Contractor will provide a program allowing offenders to access their general banking account using the inmate phone.

1. Contractor will provide any necessary hardware or software associated with this program associated with implementing, maintaining and supporting this program except for any necessary in-house wire that will be provided by the CDOC.
2. Contractor will work with CDOC BT programmers to set up controls that are needed between Inmate Bank and ITS.
3. Offender will use same ITS PIN for general banking access. The feature will allow controls such as the number of times a balance check can be done per day, per week, per month to control volume.
4. Upon release, balance of ITS account will be transferred back to offender's General Banking account.
5. At the CDOC's discretion, charges may be applied for excess balance fund checking.

**T. Canteen Ordering.** Contractor will provide program allowing offenders to do automated Canteen orders using the inmate phones.

1. Contractor will engineer, develop and install an Interactive Voice Response (IVR) system at no cost to the CDOC. Contractor will program each of the CDOC facilities with a speed dial number for IVR access.
2. Contractor will provide any necessary hardware or software associated with implementing, maintaining and supporting this program except for any necessary in-house wire.
3. Contractor will work with CDOC BT to setup controls and connectivity that are needed between the Canteen and ITS.
4. An automatic data feed will be provided to the CDOC on a daily basis in a format requested by the CDOC. The Contractor has an Application Program Interface (API) which will set up controls that are necessary between the Contractor's Commissary IVAR and the CDOC Canteen.
5. All offender ordering times and any additional restrictions will be provided to the Contractor by the CDOC in addition to any changes in the product numbering.
6. Interface would be driven by an IVR and menu tree.

- U. **Offender Voice Mail.** Contractor will make available a program which allows and offender to leave a voice mail to be retrieved by the called party.
1. CDOC will determine if and when the Contractor will implement the VACI Voice Mail program. CDOC will determine the access, features, options and controls to be implemented.
  2. Contractor will provide any necessary engineering, hardware and software associated with implementing, maintaining and supporting this program to the specifications of the CDOC.
  3. Offenders would be able to leave voice mail messages for numbers on the offender's approved phone list.
  4. Voice mail messages would be retrieved by the persons at the numbers on the offender's approved phone list.
  5. Voice mail would Outbound and Inbound/Outbound options.
  5. All voice mail messages would be subject to monitoring and recording and have the same security methods as completed offender phone calls.
  6. The amount of each transaction is \$1.00.
  7. The commission due to the CDOC for any voice mail revenue would be 25%.
- V. **ITS Rate Specials.** At times and rates agreed upon by CDOC and the Contractor, the Contractor may reduce the calling rates to offer offenders and called parties a reduced rate for an agreed upon period of time.
- W. **Credit Limits.** Contractor may impose credit limits on phone numbers that are considered high use for collect calling to control bad debt. Credit Limits to be determined in agreement with CDOC.

END OF EXHIBIT A

**EXHIBIT B****OPTION LETTER**

Date: \_\_\_\_\_ State Fiscal Year: \_\_\_\_\_ Option Letter No. \_\_\_\_\_

SUBJECT: (Please indicate purpose by choosing one of the following)

- 1 - Option to renew only (for an additional term)**
- 2 - Change in the amount of goods within current term**
- 3 - Change in amount of goods in conjunction with renewal for additional term**
- 4 - Level of service change within current term**
- 5 - Level of service change in conjunction with renewal for additional term**

**In accordance with Paragraph(s)** \_\_\_\_\_ of contract routing number (FY) (Agency) (Routing #), between the State of Colorado, Colorado Department of Corrections, and (contractor's name) the state hereby exercises the option for an additional term of (include performance period here) at a cost/price specified in Paragraph/Section/Provision \_\_\_\_\_, AND/OR an increase/decrease in the amount of goods/services at the same rate(s) as specified in Paragraph/Schedule/Exhibit

The amount of the current Fiscal Year contract value is increased/decreased by (\$ amount of change) to a new contract value of (\$\_\_\_\_\_) to satisfy services/goods under this contract for the current fiscal year (indicate Fiscal Year). The first sentence in Paragraph/Section/Provision \_\_\_\_\_ is hereby modified accordingly.

The total contract value to include all previous amendments, option letters, etc. is (\$\_\_\_\_\_).

The effective date of this Option Letter is upon approval of the State Controller or \_\_\_\_\_ whichever is later.

**APPROVALS:****State of Colorado:**

Bill Ritter, Jr., Governor

By: \_\_\_\_\_ Date: \_\_\_\_\_  
 Executive Director or designee  
 Colorado Department of Corrections

**ALL CONTRACTS MUST BE APPROVED BY THE STATE CONTROLLER**

CRS 24-30-202 requires that the State Controller approve all State contracts. This contract is not valid until signed and dated below by the State Controller or delegate. Contractor is not authorized to begin performance until such time. If Contractor begins performing prior thereto, the State of Colorado is not obligated to pay Contractor for such performance or for any goods and/or services provided hereunder

State Controller  
 David J. McDermott, CPA

By: \_\_\_\_\_

Date: \_\_\_\_\_