

**AGREEMENT 06-015
FOR INMATE CALLING SERVICES (ICS) TELECOMMUNICATIONS SERVICES**

This Agreement is effective on June 1, 2007, and is entered into by and between the State of Iowa, Iowa Department of Corrections (DOC) and Public Communications Services, Inc. (PCS).

WHEREAS, PCS desires to provide service to the DOC with the support of provisioning of telecommunications services to inmates (Inmate Calling) in the correctional institutions of the Iowa Department of Corrections (DOC) provided by the Iowa Telecommunications and Technology Commission operating the Iowa Communications Network (ICN), pursuant to an agreement between DOC and the ICN; and

WHEREAS, DOC desires to use the services of PCS to support the ICN's provisioning of Inmate Calling to the DOC, where such PCS services are appropriate and where the parties have agreed to the provision of such services; and

WHEREAS, the parties desire to set forth a framework for the provisioning of such services by PCS and the payment therefore by the ICN; and

WHEREAS, the DOC has requested the assistance of the ICN in negotiating and administration the Agreement with PCS;

NOW, THEREFORE, in the consideration of the mutual covenants contained in this Agreement, the sufficiency of which is acknowledged, DOC and PCS agree as follows:

SECTION 1. IDENTITY OF THE PARTIES.

1.1 The Iowa Department of Corrections is an agency of the State of Iowa and is responsible for the management, and operation of the State of Iowa prison system. DOC's principal office address is 510 East 12th Street, Des Moines, Iowa 50319.

1.2 Public Communications Services is a California corporation organized under the laws of the state of California and is authorized to do business in the State of Iowa. PCS's Address is 11859 Wilshire Blvd., Suite 600, Los Angeles, CA 90025.

SECTION 2. TERM. The term of this Agreement shall commence on the effective date of the Agreement and continue for three (3) years from the service start date of October 1, 2007. Upon mutual agreement of PCS, DOC and the ICN the Agreement may be renewed upon the same terms and conditions for three (3) additional one-year (1 year) periods.

2.1 At the end of the service term or any renewals provided for above, the ICN may extend the Agreement on a month-to-month basis for up to six months to ensure the ICN and DOC retain an operational system at all times. PCS shall agree to this possible extension at the same rates and terms as agreed to in the previously agreed to contract term.

SECTION 3. DOCUMENTS INCORPORATED BY REFERENCE.

3.1 Incorporation of Bid Proposal Documents. The Request for Proposal RFP #06-015 for Inmate Calling System (RFP), and PCS Bid Proposal in response to the RFP together with any clarifications, attachments, appendices, amendments or other writings of the ICN or PCS (collectively "Bid Proposal") are incorporated into this Agreement by this reference as if fully set forth in the Agreement, except that no objection or amendment by PCS to the RFP requirements shall be incorporated by reference into the Agreement unless the ICN has explicitly accepted PCS's objection in writing.

3.2 Contractual Obligations of PCS. The terms and conditions of the Bid Proposal and of the RFP are made contractual obligations of PCS.

3.3 Order of Preference. In the case of any inconsistency or conflict between the specific provisions of this document, the RFP or the Bid Proposal, any inconsistency or conflict shall be resolved as follows:

3.3.1 First by giving preference to the specific provisions of the Agreement.

3.3.2 Second, by giving preference to the specific provisions of the RFP.

3.3.3 Third, by giving preference to the specific provisions of the Bid Proposal.

3.4 Intent of References to Bid Documents. The references to the parties' obligations, which are contained in this document, are intended to change, supplement or clarify the obligations as stated in the RFP and the Bid Proposal. The failure of the parties to make reference to the terms of the RFP or Bid Proposal in this document shall not be construed as creating a conflict and will not relieve PCS of the contractual obligations imposed by the terms of the RFP and the Bid Proposal. Terms offered in the Bid Proposal, which exceed the requirements of the RFP, shall not be construed as creating an inconsistency or conflict with the RFP or this document. The contractual obligations of the ICN cannot be implied from the Bid Proposal or the RFP.

SECTION 4. DEFINITIONS. The following words shall have the meanings set forth below. Words in the singular shall be held to include the plural and vice versa, and words of gender shall be held to include the other gender as the context requires. For the purposes of this Agreement, the following terms and all other terms defined in this Agreement shall have the meanings so defined unless the context clearly indicates otherwise.

4.1 "Agreement" or "Contract" shall mean this original Agreement between the ICN and any amendments, exhibits or attachments to the original Agreement.

4.2 "Canteen" shall mean the area within each DOC institution where inmates may purchase or order goods and products provided by DOC for sale or acquisition by inmates housed within the institution.

4.3 "CLEC" shall mean a competitive local exchange carrier.

4.4 "DOC" shall mean the Iowa Department of Corrections.

4.5 "ICN" shall mean the Iowa Telecommunications and Technology Commission operating the Iowa Communications Network.

4.6 "JFHQ" shall mean Joint Forces Headquarters.

4.7 "System", "ICS" or "Inmate Calling System" shall mean the state of the art inmate telephone management system installed, deployed and operated by PCS for use by the ICN and DOC.

4.8 "Institutions" shall mean the nine DOC institutions in which Iowa inmates are housed and which cumulatively comprise the Iowa DOC inmate prison system.

4.9 "LEC" shall mean a local exchange carrier.

4.10 "Open Standards" are publicly available specifications for achieving a specific task.

4.11 "PAN" shall mean personal access number.

4.12 "PIN" shall mean personal identification number.

4.13 “**Project**” means the installation and deployment of a state of the art ICS for the ICN.

4.14 “**Software**” means the programs, related documentation, enhancements, source code, object code, and copies necessary to operate the PCS System in order to provide the inmate calling services referred to in this Contract. For the purposes of this Agreement, “Software” also includes third party software necessary for performing the obligations contained in this Agreement.

4.15 “**RFP**” shall mean Request for Proposal.

4.16 “**State**” shall mean the State of Iowa and all of its departments, agencies, boards, and commissions, including the ICN and the DOC.

4.17 “**PCS**” shall mean the Public Communications Services, Inc.

4.18 “**Automated Reporting**” is herein defined as allowing the data and supporting rules and processes required for measuring the RFP Standards in Table 1, #'s 1-7, to be defined within ICN's Service Desk and reports generated to measure the results.

4.19 “**ICN Service Desk**” shall mean the ICN network operations center.

SECTION 5. SCOPE OF WORK.

5.1 **Scope of Services.** PCS shall perform the services described in Attachment A, attached hereto and made a part hereof by reference.

5.2 PCS shall cooperate with the ICN and any other vendors with which the ICN may contract to ensure the smooth operation of the ICS.

5.3 **Amendments to Scope of Services and Specifications.** The parties agree that the Scope of services and the specifications in Attachment A may be revised, replaced, amended or deleted at any time during the term of this Agreement to reflect changes in service or performance standards via a written Amendment executed by the parties.

5.4 **Industry Standards.** Services rendered pursuant to this Agreement shall be performed in a professional and workmanlike manner in accordance with the terms of this Agreement and with generally acceptable industry standards of performance for similar tasks and projects. In the absence of a detailed specification for the performance of any portion of this Agreement, the parties agree that the applicable specification shall be the generally accepted industry standard.

5.5 Personnel.

5.5.1 **Key Personnel.** ICN considers Randall Yankee, Anthony Arellano, and Michael Boesenberg from PCS to be essential to a successful project. PCS shall not remove, reassign or substitute the individual(s) identified in this section except in the event of death, illness, retirement, disability, or termination from employment, conditions permitting absence from employment under the Family and Medical Leave Act of 1993, or in the event of ICN's written consent.

5.5.2 **Personnel Changes.** If at any time during the term of this Agreement ICN becomes dissatisfied with the performance of any individual who is part of PCS's personnel, ICN shall notify PCS of the reasons for such dissatisfaction and may request the replacement of such individual. PCS will promptly investigate such request and the reasons for such dissatisfaction and report back to ICN on the corrective action PCS believes is appropriate to address ICN's concerns and dissatisfaction. If PCS determines that such individual needs to be replaced, the replacement shall be effected promptly with a substitute individual having equal or greater ability, experience and qualifications than the departing individual.

5.6 Non Exclusive Rights. This Agreement is not exclusive. The ICN reserves the right to select other vendors to provide for any portion of the services being performed which may be similar or identical to the Scope of Services described in this Agreement during the term of the Agreement.

5.6.1 The Parties agree that any services, similar or identical to the ICS Scope of Services that may require an interface with the PCS system, may be subject to Section 19.4 Change Order Procedure.

SECTION 6. COMPENSATION.

6.1 Payment shall be made in accordance with Iowa Code Section 8.47, which requires state agencies to tie payment for services contracts to PCS's performance.

6.2 Payment Terms. All invoices submitted by PCS shall contain appropriate documentation as necessary to support the fees or charges included on the invoice and shall comply with all applicable rules concerning payment of such fees, charges or other claims and shall contain all information reasonably requested by ICN. ICN shall pay all approved invoices in arrears and in conformance with Iowa Code Section 8A.514 and 11 IAC 41.1(2). ICN may in less than 60 days as provided in Iowa Code Section 8A.514. However, an election to pay in less than sixty (60) days shall not act as an implied waiver of Iowa Code Section 8A.514. Any sums owed to DOC or ICN by PCS shall be itemized and deducted from PCS's invoice prior to submission. Notwithstanding anything herein to the contrary, ICN shall have the right to dispute any invoice submitted for payment and withhold payment of any disputed amount if ICN believes the invoice is inaccurate or incorrect in any way.

6.3 Set Off. In the event that PCS owes ICN, DOC or the State of Iowa any sum under the terms of this Contract, any other contract, pursuant to any judgment, or pursuant to any law, ICN may set off the sum owed to ICN or the State against any sum billed to ICN by PCS in ICN's sole discretion unless otherwise required by law. PCS agrees that this provision constitutes proper and timely notice under the law of setoff.

6.4 Delay of Payment Due To PCS's Failure. If the ICN in good faith determines that PCS has failed to perform or deliver any service or product as required by this Agreement, PCS shall not be entitled to any compensation under this Agreement until such service or product is completed or delivered. In the event of partial performance, the ICN may withhold that portion of PCS's compensation, which represents payment for the unsatisfactory services.

SECTION 7. BONDS. Upon execution of this Contract, PCS shall provide the following Bonds to the ICN and DOC.

7.1 Performance Bond. PCS shall post a Performance Bond in the amount of two hundred thousand dollars (\$200,000) which shall be conditioned on PCS's full and faithful performance of this Agreement. The Bond, or other proof of bond coverage as acceptable to the ICN and DOC, shall be provided to the ICN within ten (10) days of execution of this Agreement.

7.1.1 PCS shall pay the cost of the Bond. In the event PCS fails to perform each material requirement of this Agreement, including without limitation PCS's obligation to indemnify the ICN and DOC and pay damages to the ICN and DOC may draw on the Performance Bond to the extent of the damages. PCS warrants that it will maintain the required Bond coverage at all times during the term of this Agreement without any lapse in coverage.

7.1.2 The Bond shall be in a form customarily used in the telecommunications industry and shall be written by a surety authorized to do business in Iowa that is acceptable to the ICN and DOC.

7.1.3 The Bond shall be in effect throughout the term of this Agreement and shall provide that it cannot be cancelled during the annual term of the Bond. The Bond may, however, be subject to annual renewal. Failure on the part of PCS to furnish the required Bond in the time stated, or to maintain the Bond in full force and effect during the term of this Agreement and any extension thereof, shall be material breach of this Agreement and shall be considered cause for the ICN to declare PCS in default under this Agreement.

7.2 Fidelity Bond. PCS shall post a Fidelity Bond of one hundred thousand dollars (\$100,000) for the pre-paid calling Service, and increase the amount of the Bond to a value to be determined in the event that at any time during the life of this Contract that the ICN and DOC elect to use an ICS that deviates from a pre-paid System and that requires PCS to handle any monies or billing. The Bond shall be delivered to the ICN within ten (10) business days of execution of the Services covered in this Agreement. PCS shall pay the cost of this Bond. The Bond shall provide funds to the ICN in the event that the ICN or DOC suffers any liability, loss, damage, or expense as a result of any fraudulent or dishonest act or omission of PCS or any subcontractor or any officer, employee, or agent of PCS or any subcontractor or any parent or subsidiary corporation of PCS or any subcontractor. The Bond shall be in a form customarily used in the communications industry and shall be written by a surety authorized to do business in Iowa that is acceptable to the ICN and DOC. The Bond shall be renewed annually for the duration of this Agreement or extensions thereof.

7.2.1 The Bond shall be in force throughout the term of this Agreement and shall be renewed annually for the duration of the Agreement or any extensions thereof. The Bond shall provide that the Bond cannot be cancelled during the term of the bond or this Agreement or any extension thereof. PCS warrants that it will maintain the required Bond coverage at all times during the term of this Agreement or any extensions thereof without any lapse in coverage.

7.2.2 The receipt of such Bond or other proof of coverage does not constitute approval of the Bond coverage nor does the Bond relieve PCS from performing each and every requirement of this Agreement. PCS remains responsible for determining that its Bond meets each and every requirement of this Agreement. Failure on the part of PCS to furnish the required Bond in the time stated, or to maintain the Bond in full force and effect during the term of this Agreement and any extension thereof shall be cause for the ICN to declare PCS in default under this Agreement.

SECTION 8. INSURANCE.

8.1 Coverage Requirements. PCS, and any subcontractors performing the services required under this Agreement, shall maintain in full force and effect, with insurance companies of recognized responsibility, at its own expense, insurance covering its work during the entire term of this Agreement and any extensions or renewals thereof. The insurance shall be of the type and in the amounts as reasonably required by the ICN. PCS's insurance shall, among other things, insure against any loss or damage resulting from or related to PCS's performance of this Agreement. All such insurance policies should remain in full force and effect for the entire life of this Agreement and shall not be canceled or changed except with the advance written approval of the ICN.

8.2 Types of Coverage. Unless otherwise requested by the ICN, PCS shall, at its sole cost, cause to be issued and maintained during the entire term of this Agreement (and any extensions or renewals thereof) the insurance coverage's set forth below, each naming the State of Iowa, DOC and the ICN additional insureds or loss payees, as applicable:

| <i>Type</i> | <i>Amount</i> |
|---|-------------------------|
| Workers Compensation and Employer Liability | AS REQUIRED BY IOWA LAW |
| General Liability (including contractual liability) written on an occurrence basis | |
| GENERAL AGGREGATE | \$5 million |
| PRODUCT LIABILITY | \$3 million |
| PERSONAL INJURY | \$3 million |
| COMPREHENSIVE AGGREGATE | \$3 million |
| EACH OCCURRENCE | \$2 million |
| Automobile Liability, including any auto, hired autos and non owned autos COMBINED SINGLE LIMIT | \$2 million |

8.3 Coverage for State Property on PCS Premises. The policies shall provide coverage for damages to the State's property, which occurs on PCS's premises or premises under the control of PCS or PCS's subcontractors.

8.4 Claims Made Coverage. All insurance policies required by this Agreement must provide coverage for all claims arising from activities occurring during the term of the policy regardless of the date the claim is filed or expiration of the policy.

8.5 Notice Regarding Cancellation. Certificates of insurance, which provide that the ICN will be notified at least thirty (30) days prior to cancellation of the coverage required by this Agreement must be provided by PCS and any subcontractors to the ICN at the time of execution of this Agreement or at a time mutually agreeable to the parties.

8.6 No Limitation of Liability. The receipt of insured certificates by the ICN does not constitute approval of the coverage contained in the certificates, and PCS remains responsible for determining that its insurance coverage meets each and every requirement of this Agreement. Acceptance of the insurance certificates by the ICN shall not act to relieve PCS of any obligation under this Agreement. Only companies authorized to transact business in the State of Iowa shall issue the insurance policies and certificates required by this Section. It shall be the responsibility of PCS to keep the respective insurance policies and coverages current and in force during the life of this Agreement. Failure on the part of PCS to furnish the required insurance in the time stated, or to maintain the insurance in full force and effect during the term of this Agreement and any extension thereof, shall be cause for the ICN to declare PCS in default under this Agreement.

8.7 Warranty. PCS warrants that it has examined its insurance coverage to determine whether the State of Iowa, DOC and the ICN can be named as additional insureds without creating an adverse effect on PCS's coverage.

8.8 Waiver of Subrogation Rights. PCS shall obtain a waiver of any subrogation rights that any of its insurance carriers might have against the State of Iowa, DOC or the ICN. The waiver of subrogation rights shall be indicated on the certificates of insurance coverage supplied to the ICN.

SECTION 9. CONFIDENTIAL INFORMATION.

9.1 During the course of this Agreement each party may disclose, to the other either directly or indirectly, certain data which is proprietary which shall be referred to as "Confidential Information" of the disclosing party and which must remain confidential. Confidential Information may include without limitation, among other things, such items as inmate personal information, security information, user information, data, knowledge, trade secrets and other proprietary information, methodologies, developments, software, software documentation, inventions, processes, and other nonpublic information in oral, graphic, written, electronic or machine readable form.

9.2 The parties acknowledge that information and material in the hands of the ICN or DOC is generally public information unless it is specifically allowed by law to be maintained as Confidential Information.

9.3 The parties acknowledge that some information in the hands of the ICN or DOC is strictly confidential and is not subject to release as a matter of law. PCS shall abide by all such statutory provisions when handling sensitive ICN or DOC information identified as confidential.

9.4 All written or electronic Confidential Information shall be clearly marked as Confidential Information by the party providing the Confidential Information at the time of disclosure to the other party

9.5 If the Confidential Information is disclosed orally, and reduced to writing, the receiving party must treat the information as Confidential Information.

9.6 PCS shall limit such identification to information it reasonably believes it is entitled to confidential treatment pursuant to Iowa Code Chapter 22 or other applicable law.

9.7 In the event a public records request is made to the ICN or DOC pursuant to Iowa Code Chapter 22, regarding the Confidential Information of PCS, the agency in receipt of the request shall immediately notify PCS of the request by telephone and fax. The agency in receipt of the request will respond to the request for information within 10 business days thereafter with a release of the information unless PCS has obtained an injunction preventing release of the requested information.

9.8 In the event PCS receives a request for information pursuant to Iowa Code Chapter 22 for information supplied to it by the ICN or DOC, PCS will immediately notify the agency whose records are being sought of the request by telephone and fax. PCS may respond to the request for information that has not been designated as confidential by the ICN or DOC in its sole discretion. In the event PCS chooses to release the information subject to the request, it must provide the agency whose records have been requested with at least thirty (30) days notice prior to the release of information to allow that agency to obtain an injunction to prevent the release of information if appropriate and in accordance with the law.

9.9 The obligations of this Agreement do not apply to Confidential Information which:

9.9.1 Was rightfully in the possession of the receiving party from a source other than the disclosing party prior to the time of disclosure of the Confidential Information to receiving party;

9.9.2 Was known to the receiving party prior to the disclosure of the Confidential Information from the disclosing party;

9.9.3 Was disclosed to the receiving party without restriction by an independent third party having a legal right to disclose the Confidential Information;

9.9.4 Becomes public knowledge, other than through an act or failure to act of the disclosing party;

9.9.5 Is publicly available or in the public domain when provided;

9.9.6 Is independently developed by the disclosing party; or

9.9.7 Is disclosed pursuant to law, subpoena or the order of a court or government authority.

9.10 The parties shall have the following duties relating to the Confidential Information:

9.10.1 PCS shall designate one individual who shall remain the responsible authority in charge of all data collected, used or disseminated by PCS in connection with the performance of this Contract. PCS shall accept responsibility for providing adequate supervision and training to its agents and employees to ensure compliance with the terms of this Contract. The private and confidential data shall remain the property of the ICN or DOC at all times.

9.10.2 The Confidential Information of either party shall be held in strict confidence by the receiving party and shall not be disclosed or used by the receiving party without the prior written consent of the disclosing party, except as provided in this Agreement or as may be required by law pursuant to available confidentiality restrictions.

9.10.3 The parties shall use their best efforts to protect the Confidential Information in its possession.

9.10.4 The parties shall restrict disclosure of the Confidential Information solely to those of its employees, agents, consultants and attorneys with a need to know in order to accomplish the purpose of this Agreement.

9.10.5 The parties shall protect the Confidential Information from disclosure to or access by unauthorized persons.

9.10.6 The parties shall use the Confidential Information solely for the purpose of this Agreement and for no other purpose.

9.10.7 The parties shall not duplicate the Confidential Information in any form, except as may be necessary to accomplish the purpose of this Agreement.

9.10.8 The parties shall advise each of its employees, agents, consultants and attorneys who receive the Confidential Information of the obligations of confidentiality and restrictions on the use set forth herein.

9.10.9 The parties shall immediately return the Confidential Information and all copies thereof, to each other upon the earlier of the termination of this Agreement.

9.11 The provisions of this Agreement shall apply to all Confidential Information disclosed by the parties to each other over the course of this Agreement. The parties' obligations under this provision shall survive termination of this Agreement and shall be perpetual.

9.12 PCS shall indemnify the ICN and DOC for a violation of this Section. PCS shall notify the ICN or the DOC prior to the destruction of these materials and shall provide the appropriate agency with the opportunity to ensure the proper destruction of its confidential materials.

9.13 No Confidential Information will be exported to any country in violation of the United States Export Administration Act and the regulations thereunder.

SECTION 10. PCS WARRANTIES.

10.1 Construction of Warranties Expressed in this Agreement with Warranties Implied by Law. All warranties made by PCS in all provisions of this Agreement and the Bid Proposal by PCS, whether or not this Agreement specifically denominates PCS's promise as a warranty or whether the warranty is created only by PCS's affirmation or promise, or is created by a description of the materials and services to be provided, or by provision of samples to the ICN, shall not be construed as limiting or negating any warranty provided by law, including without limitation, warranties which arise through course of dealing or usage of trade. The warranties expressed in this Agreement are intended to modify the warranties implied by law only to the extent that they expand the warranties applicable to the goods and services provided by PCS.

10.2 PCS warrants that the all the concepts, materials produced, the work product and the information, data, designs, processes, inventions, techniques, devices, and other such intellectual property furnished, used, or relied upon by PCS, DOC, or the ICN will not infringe any copyright, patent, trademark, trade dress, or other intellectual property right of PCS or others. Any intellectual property provided to the ICN and DOC pursuant to the terms of this Agreement, shall be wholly original with PCS or PCS has secured all applicable interests, rights, licenses, permits, or other intellectual property rights in such concepts, materials and work.

10.3 PCS represents and warrants that the concepts, materials and the ICN and DOC's use of same as provided for in this Agreement and the exercise by the ICN and DOC of the rights granted by this Agreement shall not infringe upon any other work, or violate the rights of publicity or privacy of, or constitute a libel or slander against, any person, firm or corporation and that the concepts, materials and works will not infringe upon the copyright, trademark, trade name, literary, dramatic, statutory, common law or any other rights of any person, firm or corporation or other entity.

10.4 PCS warrants that all of the services to be performed hereunder will be rendered using sound, professional practices and in a competent and professional manner by knowledgeable, trained and qualified personnel.



10.5 PCS warrants that the deliverables under this Agreement will operate in conformance with the terms and conditions of this Agreement and that the System will be fully operational and accessible during applicable operating hours as provided for in this Agreement.

10.6 PCS warrants that it has full authority to enter into this Agreement and that it has not granted and will not grant any right or interest to any person or entity which might derogate, encumber, or interfere with the rights granted to the ICN.

10.7 PCS warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by PCS pursuant to this Agreement are or will be fully satisfied by PCS so that the ICN will not have any obligations with respect thereto.

10.8 PCS warrants that, except as otherwise provided for in this Agreement, it is the owner of or otherwise has the right to use and distribute the equipment, hardware, software, all the materials owned by PCS and any other materials, and methodologies used in connection with providing the services contemplated by this Agreement.

10.9 PCS warrants that any software used in connection with the ICS shall not contain any Trojan horses, worms, viruses or other disabling devices.

10.10 PCS expressly warrants to the standards in the industry all aspects of the goods and services provided by it or used by PCS and the ICN in performance of this Agreement.

10.11 PCS warrants that during the term of this Agreement and any extension or renewal term, PCS shall continually use and integrate the most current and up-to-date technology commercially available into the System and any components necessary for the System to function subject to the prior written approval of the ICN.

SECTION 11. INDEMNIFICATION BY PCS. PCS agrees to defend, indemnify and hold the DOC, ICN, and the State of Iowa, its employees, agents, board members, appointed officials and elected officials, harmless from any and all demands, debts liabilities, damages, loss, claims, suits or actions, settlements, judgments, costs and expenses, including the reasonable value of time expended by the Attorney General's Office, and the costs and expenses and attorney fees of other counsel required to defend the ICN, DOC, or the State related to or arising from:

11.1 Any violation or breach of this Agreement including without limitation any of PCS's representations or warranties; or

11.2 Any acts or omissions, including, without limitation, negligent acts or omissions or willful misconduct of PCS, its officers, employees, agents, board members, PCSs, subcontractors, or counsel employed by PCS in the performance of this Agreement, or any other reason in connection with the goods and services provided under the Agreement; or

11.3 Claims for any violation of any intellectual property right including but not limited to infringement of patents, trademarks, trade dress, trade secrets, or copyrights arising from the any of the goods or service performed in accordance with this Agreement; or

11.4 PCS's performance or attempted performance of this Agreement; or

11.5 Any failure by PCS to comply with all local, state and federal laws and regulations; or

11.6 Any failure by PCS to make all reports, payments and withholdings required by federal and state law with respect to social security, employee income and other taxes, fees or costs required by PCS to conduct business in the State of Iowa.

11.7 PCS's duty to indemnify as set forth in this section shall survive the expiration or termination of this Agreement and shall apply to all acts taken in the performance of this Agreement regardless of the date any potential claim is made or discovered by the ICN.

SECTION 12. INDEMNIFICATION BY STATE.

12.1 The ICN shall, only to the extent consistent with Article VII, Section 1 of the Iowa Constitution and Iowa Code Chapter 669, indemnify and hold PCS harmless against any and all losses, costs, damages, expenses, claims, demands, causes of action, judgments and settlements arising directly out of the negligence or wrongful acts or omissions of an employee of the ICN while acting within the scope of the employee's office of employment in connection with the performance of this Contract.

SECTION 13. RESERVED.

SECTION 14. TERMINATION

14.1 **Termination For Lack of Authority or Funding.** Notwithstanding anything in this Agreement to the contrary and subject to the limitations, conditions, and procedures set forth below, the ICN or DOC shall have the right to terminate this Agreement without penalty and without any advance notice as a result of any of the following:

14.1.1 The Legislature or Governor fails, in the sole opinion of the ICN, to appropriate funds sufficient to allow the ICN, DOC, or any state agency or department charged with responsibility to perform any of the ICN's obligations under this Agreement, to either meet its obligations under this Agreement or to operate as required to fulfill its obligations under this Agreement; or

14.1.2 If funds are de-appropriated, not allocated or if the funds needed by the ICN, or DOC in the ICN's sole discretion, are insufficient for any other reason; or

14.1.3 If the ICN's, DOC's or any responsible state agency's or department's authorization to conduct its business is withdrawn or there is a material alteration in the programs or any other program the ICN or DOC administers; or

14.1.4 If the ICN's duties are substantially modified by statute, executive, court or administrative order.

14.1.5 **Written Notice of Cancellation.** The ICN shall provide PCS with written notice of cancellation pursuant to this section.

14.1.6 **Request for Funds.** The ICN agrees to make a reasonable request during the budget hearing process before the Department of Management and the Governor for the necessary funds to complete this Agreement. If any appropriation to cover the costs of this Agreement becomes available within 60 days subsequent to termination under this clause, the ICN agrees to re-enter the Agreement with PCS, if PCS is still available to provide the goods or services described in this Agreement or any attachments hereto under the same provisions, terms and conditions as the original Agreement.

14.2 **Termination for Cause.** The ICN may terminate this Agreement upon written notice for the substantial breach by PCS of any material term if such breach is not cured by PCS within the time period specified in the ICN's notice of breach or any subsequent notice or correspondence delivered by the ICN to PCS, with no time period being less than thirty (30) days. If a cure is feasible and an opportunity to cure is provided, the notice shall specify the exact date by which the condition must be cured, which shall be a reasonable cure period. Following expiration of the opportunity to cure or notice from the ICN, the ICN may seek any legal or equitable remedy authorized by this Agreement or by law. Should the Contract be terminated for cause, PCS shall reimburse the ICN and DOC for the costs associated with sourcing and contracting a replacement vendor, implementing the replacement system and reasonable damages incurred by the DOC and DOC inmates. Substantial breach events include, but are not limited to, the following:

14.2.1 PCS fails to perform as required by this Agreement.

14.2.2 PCS fails to make substantial and timely progress toward performance or fails to meet any of the material specifications and requirements stated in this Agreement, including without limitation the warranties provided in this Agreement, in the RFP or in the Bid Proposal.

14.3 Termination for Convenience. Following sixty (60) days written notice, the ICN may terminate this Agreement in whole or in part for convenience without the payment of any penalty or incurring any further obligation to PCS except as provided herein. The ICN shall pay only the amounts, if any, due and owing to PCS for services actually rendered up to and including the date of termination of this Agreement and for which the ICN is obligated to pay pursuant to this Agreement. Termination for Convenience can be for any reason or no reason at all if it is in the best interests of the ICN.

14.4 Immediate Termination. The ICN may terminate this Agreement effective immediately without advance notice and without penalty for any of the following reasons:

14.4.1 PCS furnished any statement, representation, warranty or certification in connection with this Agreement, which is materially false, deceptive, incorrect or incomplete.

14.4.2 PCS becomes subject to any bankruptcy or insolvency proceeding under Federal or state law to the extent allowed by applicable Federal or state law including bankruptcy laws and such proceeding is not dismissed within 60 days.

14.4.3 PCS terminates or suspends its business.

14.4.4 The ICN reasonably believes that PCS has become insolvent or unable to pay its obligations as they accrue consistent with applicable federal or state law.

14.4.5 It is alleged that PCS's processes or materials violate any valid patent, trademark, copyright, other intellectual property right or contract, and the ICN reasonably believes that the allegation may impair PCS's performance of this Agreement.

14.4.6 PCS has failed to comply with all applicable Federal, state, and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement.

14.4.7 PCS has engaged in conduct that has exposed the ICN or DOC to liability.

14.4.8 PCS has a conflict of interest that interferes with fair competition.

14.5 In the event of termination of this Agreement for any reason by the ICN, the ICN shall pay only the amounts, if any, due and owing to PCS for services actually rendered up to and including the date of termination of the Agreement and for which the ICN is obligated to pay pursuant to this Agreement. Payment will be made only upon submission of invoices and proper proof of PCS's claim. This provision in no way limits the remedies available to the ICN in the event of a termination under this provision. However, the ICN shall not be liable for any of the following costs:

14.5.1 The payment of Unemployment Compensation to PCS's employees;

14.5.2 The payment of Workers' Compensation claims, which occur during this Agreement or extend beyond the date on which this Agreement terminates.

14.5.3 Any costs incurred by PCS in its performance of this Agreement including but not limited to startup costs, overhead or other costs associated with the performance of this Agreement.

14.5.4 Any taxes that may be owed by PCS for the performance of this Agreement including but not limited to sales taxes, excise taxes, use taxes, income taxes or property taxes.

14.6 PCS Obligations upon Termination. Upon expiration or termination of this Agreement, or upon request of the ICN, PCS shall:

14.6.1 Immediately cease using and return to the ICN any personal property or material, whether tangible or intangible, provided by the ICN or DOC to PCS and in its, or any subcontractor's, control or possession;

14.6.2 Upon request from the ICN, destroy any personal property or material, whether tangible or intangible at no additional cost to the ICN, and verify in writing that the designated property or material has been destroyed;

14.6.3 Comply with the ICN's instructions for the timely transfer of active files and work being performed by PCS under this Agreement to the ICN or the ICN's designee;

14.6.4 Protect and preserve property in the possession of PCS in which the ICN has an interest;

14.6.5 Stop work under this Agreement on the date specified in any notice of termination provided by the ICN;

14.6.6 Cooperate in good faith with the ICN, its employees, agents and vendors during the transition period between the notification of termination and the substitution of any replacement vendor.

14.6.7 Upon termination PCS shall transfer any remaining account balances to the new vendor.

14.6.8 Upon termination PCS, at PCS's own cost, will promptly remove all PCS owned equipment from all State of Iowa facilities. The removal shall not cause damage to State of Iowa facilities; and if damage occurs, PCS shall pay for all repairs or replacements as a result of such removal.

14.7 Care of Property. PCS shall be responsible for the proper custody and care of any the State owned tangible personal property furnished for PCS's use in connection with the performance of this Agreement, and PCS will reimburse the ICN for such property's loss or damage caused by PCS, normal wear and tear excepted upon any termination.

SECTION 15. TRANSITION EVENTS. During the transition period (which is defined as one (1) year) prior to the actual termination date of this Contract, and a reasonable amount of time after the termination date of this Agreement, PCS agrees to:

15.1 Cooperate with the ICN and incoming vendors, if any, to ensure a smooth transition of services;

15.2 Work with the ICN and incoming vendors, if any, to create and implement a transition plan;

15.3 Create or modify contractual performance standards to ensure that appropriate staff levels are maintained to manage daily responsibilities under this Agreement, including cooperation with transition activities; comply with the ICN's instructions for the timely transfer of any work being performed by PCS under this Agreement to the ICN or an incoming vendor, if any; deliver to the ICN within the time frame specified by the ICN, the following:

15.4 Prior to conclusion or termination of this Agreement the ICN shall submit to PCS a list of reports, data needed, and other information which will be necessary to effect a smooth transition from PCS to another vendor in a new succeeding Agreement. PCS shall provide the reports, data, and information requested by ICN within sixty (60) days of request.

15.4.1 Any information provided by PCS during the transition event shall be handled in accordance with Iowa Code Chapter 22, as referenced in Contract Section 9 Confidential Information.

15.5 During this transition period, the ICN may extend this Agreement on a month-to-month basis for up to six months, as provided for in Section 2.1, to ensure the ICN retains an operational system at all times. All of PCS' duties pursuant to this Section 15 (excluding Section 15.5) shall be at no extraordinary cost or expense to PCS.

SECTION 16. REDUCTION OF RESOURCES. If, during the Term of this Agreement, the ICN experiences a change in the scope, nature or volume of its business, or if the ICN elects to change the manner or method by which it does business (including, but not limited to, an election by Iowa Legislature to effect a sale or other disposition of material assets), which have or may have the effect of causing a decrease in the quantity or quality of the Services that will be needed by ICN, then ICN may request PCS to reduce the level of Services and the annual Service charges to ICN under this Contract. However any such reduction must not adversely impact upon PCS's ability to reasonably perform its obligations under this Contract.

SECTION 17. OWNERSHIP OF EQUIPMENT AND TECHNOLOGY AND REMOVAL AT TERMINATION.

17.1 Except as may be otherwise agreed by the parties, all right, title and interest in PCS equipment, including, but not limited to, the hardware and software and all necessary and related accessories, parts and wiring supplied by PCS (the "Equipment") is owned by and will remain the sole and exclusive property of PCS. Absent from further agreement, the payment or prepayment or other amounts provided for in this Agreement by ICN does not create a lien or any kind of property interest whatsoever by the ICN in the Equipment.

17.2 PCS shall leave with ICN at Agreement termination all inmate call records that were created during the term of this Agreement and such records shall be removed from PCS owned equipment at termination of this Agreement.

SECTION 18. RESERVED

SECTION 19. PROJECT MANAGEMENT AND REPORTING.

19.1 Project Manager. At the time of execution of this Agreement, each party shall designate, in writing, a Project Manager to serve until the expiration of this Agreement or the designation of a substitute Project Manager. During the term of this Agreement, each Project Manager shall be available as needed to meet weekly by phone, unless otherwise mutually agreed, to review and plan and review problem resolutions with the services being provided under this Agreement.

19.2 Reports. At the next scheduled meeting after which any party has identified in writing a problem, the party responsible for resolving the problem shall provide a report setting forth activities undertaken, or to be undertaken, to resolve the problem, together with the anticipated completion dates of such activities. Any party may recommend alternative courses of action or changes that will facilitate problem resolution. For as long as a problem remains unresolved, written reports shall identify:

19.2.1 Any event not within the control of PCS or the ICN that accounts for the problem;

19.2.2 Modifications to this Agreement agreed to by the parties in order to remedy or solve the identified problem; and

19.2.3 Damages incurred as a result of any party's failure to perform its obligations under this Agreement; and

19.2.4 Any request or demand for services by one party that another party believes are not included within the terms of this Agreement.

19.3 Problem Reporting Omissions. The ICN's acceptance of a problem report shall not relieve PCS of any obligation under this Agreement or waive any other remedy under this Agreement or at law or equity that the ICN or DOC may have. The ICN's failure to identify the extent of a problem or the extent of damages incurred as a result of a problem shall not act as a waiver of performance under this Agreement. Where other provisions of this Agreement require notification of an event in writing, the written report shall be considered a valid notice under this Agreement provided the parties required to receive notice are notified.

19.4 Change Order Procedure. The ICN may at any time request a modification to the scope of service work described in the contract using a Change Order. The following procedures for a change order shall be followed:

19.4.1 Written Request. The ICN shall specify in writing the desired modifications to the same degree of specificity as in the original Scope of Services.

19.4.2 PCS's Response. PCS shall submit to the ICN a time and cost estimate for the requested Change Order within five (5) business days of receiving the Change Order Request.

19.4.3 Acceptance of PCS Estimate. If the ICN accepts the estimate presented by PCS within five (5) business days of receiving PCS's response, PCS shall perform the modified services subject to the time and cost estimates included in PCS response. PCS's performance and the modified services shall be governed by the terms and conditions of this Agreement.

19.4.4 Adjustment to Compensation. The parties acknowledge that a Change Order for this Agreement may or may not entitle PCS to an equitable adjustment in PCS's compensation or the performance deadlines under this Agreement.

SECTION 20. CONTRACT ADMINISTRATION

20.1 Independent Contractor. The status of PCS shall be that of an independent contractor. PCS, its employees, agents and any subcontractors performing under this Agreement are not employees or agents of the State of Iowa or any agency, division or department of the State. Neither PCS nor its employees shall be considered employees of the State of Iowa for federal or state tax purposes. The ICN will not withhold taxes on behalf of PCS (unless required by law).

20.2 Compliance with the Law and Regulations. PCS shall comply with all applicable Federal, state, and local laws, rules, ordinances, regulations and orders when performing within the scope of this Agreement, including without limitation all laws applicable to the prevention of discrimination in employment, the administrative rules of the Iowa Department of Management or the Iowa Civil Rights Commission which pertain to equal employment opportunity and affirmative action, laws relating to prevailing wages, occupational safety and health standards, prevention of discrimination in employment, payment of taxes, gift laws, lobbying laws, laws relating to authorization to transact business in the State of Iowa, and laws relating the use of targeted small businesses as subcontractors or suppliers.

20.2.1 PCS declares that it has complied with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work to be performed under this Agreement, including without limitation, laws governing State of Iowa procurement and contracting.

20.2.2 PCS shall give notice to any labor union with which it has a bargaining or other agreement of its commitment under this section of the Agreement. PCS shall make the provisions of this section a part of its contracts with any subcontractors providing goods or services related to the fulfillment of this Agreement.

20.2.3 PCS shall comply with all of the reporting and compliance standards of the Department of Management regarding equal employment.

20.2.4 PCS may be required to submit its affirmative action plan to the Department of Management to comply with the requirements of 541 IAC Chapter 4.

20.2.5 The ICN may consider the failure of PCS to comply with any law or regulation as a material breach of this Agreement. In addition, PCS may be declared ineligible for future state contracts or be subjected to other sanctions for failure to comply with this section.

20.3 Amendments. The Agreement may be amended in writing from time to time by mutual written consent of the parties. All amendments to this Agreement must be fully executed by the parties.

20.4 Third Party Beneficiaries. The ICN is an intended third party beneficiary to this Agreement; there are no additional third party beneficiaries to the Agreement. The Agreement is intended only to benefit the ICN, the DOC, the State, and PCS.

20.5 Choice of Law and Forum. The laws of the State of Iowa shall govern and determine all matters arising out of or in connection with this Agreement without regard to the choice of law provisions of Iowa law.

20.5.1 Any litigation relating to this Agreement shall be brought in Polk County District Court for the State of Iowa, Des Moines, Iowa, or in the United States District Court for the Southern District of Iowa, Central Division, Des Moines, Iowa wherever jurisdiction is appropriate.

20.5.2 This provision shall not be construed as waiving any immunity to suit or liability including without limitation sovereign immunity in State or federal court, which may be available to the ICN or the State of Iowa.

20.6 Integration. This Agreement, including all the documents incorporated by reference, represents the entire Agreement between the parties and neither party is relying on any representation that may have been made which is not included in this Agreement. The parties agree that if a Schedule, Addendum, Rider or Exhibit or other document is attached hereto by the parties, and referred to herein, then the same shall be deemed incorporated herein by reference.

20.7 Not a Joint Venture. Nothing in this Agreement shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent/principal relationship) between the parties hereto. No Party, unless otherwise specifically provided for herein, has the authority to enter into any agreement or create an obligation or liability on behalf of, in the name of, or binding upon another party to this Agreement.

20.8 Consent to Service. PCS irrevocably consents to service of process by certified or registered mail addressed to PCS's designated agent. PCS appoints Paul Jennings at 11859 Wilshire Boulevard, Suite 600, Los Angeles, California 90025 as its agent to receive service of process. If for any reason PCS's agent for service is unable to act as such or the address of the agent changes, PCS shall immediately appoint a new agent and provide the ICN with written notice of the change in agent or address. Any change in the appointment of the agent or address will be effective only upon actual receipt by the ICN. Nothing in this provision will alter the right of the ICN to serve process in another manner permitted by law.

20.9 Supersedes Former Agreements. This Agreement supersedes all prior agreements between the ICN and PCS for the services provided in connection with this Agreement.

20.10 Waiver. Any breach or default by either party shall not be waived or released other than by a writing signed by the other party. Failure by either party at any time to require performance by the other party or to claim a breach of any provision of this Agreement shall not be construed as affecting any subsequent breach or the right to require performance with respect thereto or to claim a breach with respect thereto.

20.11 Notices.



20.11.1 Any and all notices, designations, consents, offers, acceptances or any other communication provided for herein shall be given in writing by registered or certified mail, return receipt requested, by receipted hand delivery, by Federal Express, courier or other similar and reliable carrier which shall be addressed to each party as set forth as follows:

If to the ICN: **Iowa Communications Network**
Attn: Contracting Officer
400 East 14th Street
Grimes State Office Building
Des Moines, IA 50319

If to PCS: **Public Communications Services, Inc.**
Attn: Tommie E. Joe
11859 Wilshire Boulevard, Suite 600
Los Angeles, California 90025

20.11.2 Each such notice shall be deemed to have been provided:

20.11.3 At the time it is actually received; or,

20.11.4 Within one day in the case of overnight hand delivery, courier or services such as Federal Express with guaranteed next day of delivery; or,

20.11.5 Within five days after deposited the U.S. Mail in the case of registered U.S. Mail.

20.11.6 From time to time, the parties may change the name and address of a party designated to receive notice. Such change of the designated person shall be in writing to the other party and as provided herein.

20.12 Cumulative Rights. The various rights, powers, options, elections and remedies of either party, provided in this Agreement, shall be construed as cumulative and no one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law. Nothing in this Agreement shall be construed as affecting, impairing or limiting the equitable or legal remedies to which either party may be entitled as a result of any breach of this Agreement.

20.13 Severability. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable, the invalid portion shall be severed from this Agreement. Such a determination shall not affect the validity or enforceability of any other part or provision of this Agreement.

20.14 Express Warranties. PCS expressly warrants all aspects of the items and services provided by it or used by PCS and the ICN in performance of this Agreement.

20.15 Warranty Regarding Solicitation. PCS warrants that no person or selling agency has been employed or retained to solicit and secure this Agreement upon an agreement or understanding for commission, percentage, brokerage or contingency except bona fide employees or selling agents maintained for the purpose of securing business.

20.16 Obligations of Joint Entities. If PCS is a joint entity consisting of more than one individual, partnership, corporation or other business organization, all such entities shall be jointly and severally liable for carrying out the Agreement activities.

20.17 Obligations Beyond Agreement Term. This Agreement shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to this Agreement. All obligations of PCS incurred or existing under this Agreement as of the date of expiration, termination or cancellation will survive the expiration, termination or cancellation of this Agreement.

20.18 Time is of the Essence. Time is of the essence with respect to the successful performance of the terms of this Agreement. PCS shall ensure that all personnel providing services to the ICN are responsive to the ICN's requirements in all respects.

20.19 Authorization. Each party to this Agreement represents and warrants to the other that it has the right, power and authority to enter into and perform its obligations under this Agreement and that it has taken all requisite action (corporate, statutory, or otherwise) to approve execution, delivery and performance of this Agreement. This Agreement constitutes a legal, valid and binding obligation upon the parties in accordance with its terms.

20.20 Successors in Interest. All the terms, provisions, and conditions of this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns, and legal representatives.

20.21 Counterparts and Facsimile Signatures. The parties agree that this Agreement has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument. The parties further agree that the signatures on this Agreement or any Amendment or Schedule may be manual or a facsimile signature of the person authorized to sign the appropriate document. All authorized facsimile signatures shall have the same force and effect as if manually signed.

20.22 Use of Third Parties/Prime PCS Responsibilities. The ICN and DOC acknowledge that PCS may contract with third parties for the performance of any of PCS's obligations under this Agreement. All subcontracts shall be subject to advance written approval by the ICN. PCS may enter into these contracts to complete the project provided that PCS remains responsible for all services performed under this Agreement. All restrictions, obligations and responsibilities of PCS under this Agreement shall also apply to subcontractors. The ICN shall consider the contractor to be the sole point of contact with regard to all matters related to this Agreement and is not required to initiate or maintain contact with any subcontractor. ICN may choose to deny use of any specific third party PCS at ICN's sole discretion, in which case the contractor must obtain a different third party contractor.

20.23 DATA PROCESSING WARRANTY. PCS warrants that each item of hardware, software, firmware, or a custom designed and developed software program or a system which is developed or delivered under, or used by PCS in connection with its performance of this Agreement, shall accurately process data, including, but not limited to, calculating, comparing and sequencing, from, into, between and among the nineteenth, twentieth and twenty-first centuries, including leap year calculations, when used in accordance with the item(s) documentation provided by PCS.

20.23.1 If the items to be developed and delivered under this Agreement are to perform as a system with other hardware and/or software, then the warranty shall apply to the items developed and delivered as the items process, transfer, sequence data, or otherwise interact with other components or parts of the system. This warranty shall survive the term of this Agreement. The remedies available to the ICN for a breach of warranty includes, but is not limited to, repair or replacement of non-compliant items or systems.

20.23.2 Nothing in this warranty shall be construed to limit any rights or remedies of the ICN under this Agreement with respect to defects in the items other than the Data Processing Warranty.

20.24 Force Majeure. Neither PCS nor the ICN shall be liable to the other for any delay or failure of performance of this Agreement to the extent that, such delay or failure is caused by a "force majeure".

20.24.1 As used in this Agreement, "force majeure" includes acts of God, war, civil disturbance and any other similar causes which are beyond the control and anticipation of the party effected and which, by the exercise of reasonable diligence, the party was unable to anticipate or prevent. Failure to perform by a subcontractor or an agent of PCS shall not be considered a "force majeure" unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as defined in this Agreement. "Force majeure" does not include: financial difficulties of PCS or any parent, subsidiary, affiliated or associated company of PCS; claims or court orders which restrict PCS's ability to deliver the goods or services contemplated by this Agreement.

20.24.2 If a "force majeure" delays or prevents PCS's performance, PCS shall immediately commence to use its best efforts to directly provide alternate, and to the extent possible, comparable performance. Comparability of performance and the possibility of comparable performance shall be reasonably determined solely by the ICN.

20.24.3 During any such period, PCS shall continue to be responsible for all costs and expenses related to alternative performance.

20.24.4 This Section shall not be construed as relieving PCS of its responsibility for any obligation which is being performed by a subcontractor or supplier of services unless the subcontractor or supplier is prevented from timely performance by a "force majeure" as described here.

20.25 Records Retention and Access. PCS shall permit the Auditor of the State of Iowa or any authorized representative of the State or any authorized representative of the United States government, to access and examine, audit, excerpt and transcribe any directly pertinent validation records, financial records, accounting records, books, documents, papers, electronic or optically stored and created records or other records of PCS relating to or created as a result of the performance of this Agreement. These records shall be made available to the State, its designees, the Auditor, or an authorized representative of the United States government at reasonable times and at no cost to the State during the term of this Agreement and for a period of at least (5) years following the termination, cancellation or expiration of this Agreement.

20.26 Taxes: State and Local. ICN declares and PCS acknowledges that PCS and its subcontractors, may be subject to certain taxes, including but not limited to sales tax, motor vehicle fuel tax, personal or corporate income tax or other taxes or assessments, and to licensing fees or other miscellaneous fees or charges which may be imposed by Federal, State or local law or ordinance. PCS and its subcontractors shall be solely responsible for the payment of such taxes. PCS shall promptly pay all such taxes, fees or charges when due. ICN is a tax-exempt entity and no payment will be made for any taxes levied on PCS for any purpose.

20.27 Further Assurances and Corrective Instruments. PCS agrees that it will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of this Agreement.

20.28 Authorized to Transact Business In Iowa. Prior to execution of an Agreement, PCS must demonstrate that it is authorized to transact business in the State of Iowa by registering with the Secretary of State or obtaining a certificate of authority to transact business with the State as applicable. It shall be PCS's responsibility to maintain any state required certification to conduct business in Iowa during the term length of this Agreement or any extensions to this Agreement.

20.29 Certification Regarding Sales and Use Tax. By executing this Contract PCS certifies it is either (a) registered with the Iowa Department of Revenue, collects, and remits Iowa sales and use taxes as required by Iowa Code chapter 432; or (b) not a "retailer" or a "retailer maintaining a place of business in this state" as those terms are defined in Iowa Code subsections 423.1(42) & (43). PCS also acknowledges that the ICN may declare this Contract void if the above certification is false. PCS also understands that fraudulent certification may result in the ICN or its representative filing for damages for breach of contract.

20.30 Inmate Telephone Equipment Leasing. ICN understands that PCS may enter into one or more lease transactions for some or all of the Equipment within a particular Facility. Any such lease shall be acceptable to and approved by the ICN and DOC. In each such case, a third party will purchase the Equipment as lessor and PCS will lease the Equipment as lessee. In the event the Equipment is leased, ICN may be requested to provide such documentation as may reasonably be required by the lessor and PCS. Such documentation may include, but shall not be limited to, an acknowledgment and waiver and/or lessor waiver, all in the form reasonably acceptable to the lessor as agreed to by the ICN and DOC. ICN acknowledges and agrees that an Equipment lessor may require that UCC Financing Statements be filed regarding the Equipment owned and leased by such lessor.

SECTION 21. EXECUTION.

21.1 IN WITNESS WHEREOF, in consideration of the mutual covenants set forth above and for other good and valuable consideration, the receipt, adequacy and legal sufficiency of which are hereby acknowledged, the parties have entered into the above Agreement and have caused their duly authorized representatives to execute this Agreement.

Iowa Department of Corrections

By: Fred Scaletta

Date: 5-30-07

Name: Fred Scaletta

Title: Public + Media Relations Director

Public Communications Services

By: Tommy E. Joe

Date: 6-1-07

Name: Tommy E. Joe

Title: President & COO

Approved as to form:

Iowa Telecommunications and Technology Commission

By: Maria Gibbons

Date: 5-30-07

Name: MARIA GIBBONS

Title: ICN - CONTRACTING OFFICER

Handwritten initials/signature

ATTACHMENT A Scope of Services

1. General System Requirements. PCS agrees to install and provide the services of an Inmate Calling System ("ICS" or "System") for use at State of Iowa DOC inmate facilities including, but not limited to, State owned prison facilities and all correctional facilities deemed necessary. This System shall operate as a prepaid calling system. PCS may also be asked to provide similar services at other State of Iowa facilities and institutions at the request of the ICN.

Advanced Technology. The System's software shall be of advanced technology with robust management capability. Every component of the System must adhere to open standards. Open standards are publicly available specifications for achieving a specific task.

State-of-the Art. The System shall use state-of-the-art hardware equipment at the onset of this Contract. The hardware will be new, or at least have been manufactured no earlier than the year 2006. Further, the System shall contain such capacity as to insure a continued, responsive, serviceable and expandable service with little or no down time. The PCS hardware equipment is a commercial, off the shelf product that has an open architecture.

Current Design. PCS confirms that the ICS software to be utilized is in current production. PCS states the software is a commercial-off-the-shelf product. PCS shall utilize the most up to date revision that is applicable to the ICS as required in this Contract.

Upgrades, Enhancements, or Replacements. PCS must regularly provide the latest upgrades, enhancements, and replacements to hardware, any other equipment used in the System and software. PCS shall institute any upgrades and enhancements that become available within 60 days and as requested by ICN.

- PCS will, in coordination with the ICN, make the most current technologies available and will upgrade or replace equipment as required in this specification.
- PCS will inform the ICN of new technology opportunities, along with an assessment of the operational and cost benefits of each.
- PCS will upgrade the PCS Service Delivery Platforms equipment and software. Radical System Solutions, Inc. provides the software; however, the PCS technicians are fully trained on this software and equipment. Most software upgrades can be performed remotely.
- PCS will upgrade the software to PCS Service Delivery Platform v3.0 r3. The PCS team that will be responsible for upgrading the PCS Service Delivery Platform software product shall be experienced and very knowledgeable and will require limited support from Radical. No other third party software product will be used for the operation of the integrated ICS.
- PCS will upgrade all software products associated with the operation of the ICS.

Availability. PCS shall provide constantly available service, which shall be defined as a percentage uptime annually of 99.999% at the institutional level as determined by the ICN. In addition, availability excludes planned network outages for upgrades or maintenance, pursuant to Section 6 regarding maintenance. In addition, PCS shall monitor the quality of service it delivers. The ICN will apply appropriate credits if PCS is unable to achieve 99.999% availability. Refer to Sections 17, 18, 19, 20, 21, 22 and 23 and subsections thereof for performance standards and credit computation.

System Architecture. PCS shall utilize a centralized system architecture.

- The PCS Service Delivery Platform was designed from its inception to have an open architecture. This enables PCS Service Delivery Platform to interface and integrate with other vendor technologies related to the inmate telephone system application. The PCS Service Delivery Platform call processor is based on modern modular computer telephony integration platforms using standard telephony boards and single board computers. This integrated platform approach provides the cornerstone for the PCS technology strategy, where PCS uses the latest technology and architecture designed to keep us on the cutting edge of industry developments.
- The ICS utilizes a full J2EE (Java 2 Platform, Enterprise Edition) environment for providing entity beans, session beans, Java Messaging Service (JMS --for publish/subscribe), and is capable of providing customized SOAP (Simple Object Access Protocol) interfaces for modifying any data within the inmate phone system. The ICS currently utilizes XML files sent via file-transfer for updating inmate and telephone data. In version v3.0 r3, the ICS will provide standardized SOAP interfaces for all data currently modified through the XML interface.

Automated Direct Call Processing. The System shall provide automated direct call processing of the pre-paid call system. Passive or voice activated acceptance shall be programmable by dialed number and controlled by each institution.

Rejected Calls. If a collect calling system is used, the ICN and DOC shall not incur any LEC, CLEC, or long distance charges for calls that are made by inmates where the call is received by a called party and rejected and no conversation occurred between inmate and the called party.

Incomplete Calls. The ICN and DOC shall not incur any LEC, CLEC, or long distance charges for calls that are incomplete, due to a PCS system error.

User-Friendly Voice Prompts. The System shall support user-friendly voice prompts. Voice prompts shall be available in any variety of languages, based on needs of the DOC. At this time only English and Spanish (including Spanish dialects such as Mexican, Cuban, etc.) are required. The ICN for DOC may add additional required languages during this Contract, depending on inmate population.

Conversation Length. The System for all institutions shall provide a programmable conversation length designated by the DOC with an automatic shutoff which includes a warning signal sixty seconds prior to call termination which is heard by both parties. (Currently the call duration is 20 minutes.)

- The PCS system shall accommodate two different classes of end users of the System such as the inmates at the DOC or residents under the care of the Department of Human Services in regards to programmable conversation length.

Telephone Administration. The System shall support a programmable on/off "administration" of all telephones. This administration shall include the available features and disclose the data captured within this administrative function to include, but not limited to, the minimum data required by this Section. At a minimum the System must capture all of the data described below:

- Individual inmate or resident data, including number of calls during a period of time for an inmate or resident; the dates, times, duration and location of calls; phone numbers that were dialed; and any other pertinent data must be recorded.
- Individual phone number data including date, time, duration and location of a particular phone number, and by whom must be recorded.

- Complete chronological data regarding individual phone activity at all facilities including date, time, duration and location of all calls made and by whom must be recorded. All call attempts and phone pickups for use but no call completed must be able to be recorded.
- The ICN and the DOC reserve the right to request other data as required to monitor inmate telephone conversation and usage.

Telecommunications Device for the Deaf (TDD). PCS's System shall provide TDD capabilities at each institution. A TDD call will be processed under normal procedures, at a secured location, such as a security office, with DOC staff assistance as needed. The Central Equipment must only be capable of providing TDD service. The System shall provide for telephone instrument needs and situations applicable under the Americans with Disabilities Act.

System Integration. The System shall interface with other systems used by the State of Iowa. The other systems with which the System must interface include, but are not limited to, the Inmate Demographics System (currently ICON); the Inmate Movement System (currently ICON); the system that receives data of authorized telephone numbers – both adds and deletes; the system that governs Lockbox Transactions, including additions and removals of funds to specific authorized phone numbers for an inmate versus an inmate's general telephone fund pool. Currently, this interface is accomplished via a nightly FTP of a file formatted so that the movements are in a fixed width quote identified text file and the money files are in a comma delimited non quote identified text file.

- The PCS System shall adapt or communicate with other systems using Service Oriented Architecture (Web services) in a publish and subscribe environment.
- PCS's System shall be able to back out individual balance updates.
- PCS's System shall be able to remove complete institution or system updates if the update is found to be duplicate or incorrect.

2. Call Recording. The System shall provide configurable call recording and monitoring at each institution. Alternatively, the ICN may request that call recording for non-DOC locations be turned off in its entirety. The call recording and monitoring features shall be capable of meeting the following requirements:

The call recording system proposed shall be sufficiently flexible to allow selective call recording at the request of each institution. For example, selective recording of the conversation of any particular telephone call at the discretion of the DOC institution's security director. The call recordings must start when the inmate begins to process the call.

The central equipment must be capable of recording ALL telephone calls simultaneously from every institution and store and index these recordings for archive purposes. The System will have a minimum of 120 days of real-time online storage and retrieval capability. The record retention time frame may be changed by ICN at the request of DOC.

Recorded call records not online for immediate retrieval must be retrievable within 24 hours on a common medium acceptable to the ICN and DOC.

ICN may elect to set the standard such as .wav files attainable for all calls recorded during the period of this Contract.

The recorded calls must not be stored in any proprietary format. Only common industry formats will be acceptable.

The System shall contain security features that provide verifiable proof that the recording was not altered.

Upon completion or termination of this Contract for any reason, PCS shall provide the complete records of all calls recorded during the life of this Contract on a standard medium such as tape or CD or any medium requested by the ICN. The historical call recording records will be provided at no additional cost to ICN.

All call recordings shall start when the inmate begins to process the call. The recordings must include the voice prompts given to the called party and a record of the call attempts by receiver pick up shall be made.

All call records are the sole property of the State of Iowa. PCS shall not retain any rights to the call records.

ICS records requests shall be presented to DOC representative, Mr. Fred Scaletta, Phone: 515-725-5707, E-mail: fred.scaletta@iowa.gov. No records shall be released, other than to the ICN, without Mr. Scaletta's approval.

3. Customer Call Acceptance/Call Acceptance by Called Parties. The System shall provide for call acceptance through computer instruction. The System shall be configured so that only the called party may accept the call. PCS System manages customer call acceptance in compliance with the requirements listed in this Section.

The System shall provide for call-acceptance by keypad indication. In the event the called party has only rotary phone service PCS shall be able to accommodate such rotary phone service.

Voice acceptance will not be allowed unless the recipient has a disability and uses voice activation to communicate telephonically and has advised DOC of the need for the exception. DOC shall notify PCS of the need for the exception. The System shall accommodate such exceptions once PCS is notified of the need for the exception by the DOC.

The System shall be designed so that the inmate and the called party will only be allowed to talk with each other after the called party has accepted the call. There shall not be any voice connection between the inmate and the called party until the called party accepts the call, and it is required that the inmate **NOT** hear any words or conversation until the called party has accepted the call.

4. Tariff. PCS shall file a tariff with the Iowa Utilities Board on behalf of the DOC. All rates and surcharges will be determined at the sole discretion of the DOC and may be changed at the determination of the DOC. The tariff(s) filed on behalf of the Iowa DOC will include local, intrastate, interstate, and international charges as determined by the DOC. Tariff amounts shall be obtained from DOC by ICN and provided to PCS for filing.

5. Software.

PCS shall provide ICS software. PCS shall provide a robust System that can produce various iterations of the data captured and produce customizable reports that meet ICN and DOC requirements for numerous situations related to security and investigations, as well as evaluation and planning. The software shall be capable of reporting real time and delayed call record reporting by time of day, date, duration, calls longer than a time parameter (calls longer than a time parameter shall be terminated), most frequently called number, personal identification number (PIN), dialed number, telephone, inmate name, area code, telephone number prefix, or any combination thereof; and be sufficiently flexible to provide reports in DOC format requirements.

The System shall enable DOC to review any and all transactions and functions of each and every telephone from the institution's inmate phone rooms and from the main equipment. The DOC must be able to listen to calls in real time as well as to record calls. The software program must have the ability to audit all calling patterns and income streams for long distance and local calls.

The System allows the DOC or the ICN the ability to add/delete phone stations at their discretion.

The System allows the DOC or the ICN the ability to activate and or deactivate inmate accounts.

PCS shall provide software upgrades and/or enhancements as they become available by the original equipment manufacturer, OEM, and/or are necessary for the System's operability.

6. Maintenance.

Maintenance Request Procedures: Scheduled or Routine System Maintenance is defined as any work activity that either involves the disruption of service to customers, or has the potential to disrupt service to customers. The nature of the activity is such that it can be pre-scheduled so as to allow notification to customers if necessary. Work on any network facility that is involved in service delivery either directly (servers or LAN gear, switches, transmission equipment, fiber, fiber cable, etc.) or indirectly (power, environmental systems, etc.) is subject to Maintenance Request procedures.

Preventative Maintenance: Tasks that affect or potentially impacts the customer(s) requires at least 72 hours notice to the ICN so that customers are properly notified in advance. Actions must be submitted via ICN Maintenance Window/Change Order procedures and must describe in detail the action to be taken, duration expected including when the System will be back on line, System impact and/or potential impact, a back-out plan in case the process does not go as expected, and the time the back-out plan would be commenced to restore the System on schedule. PCS must obtain prior written approval from the ICN before proceeding.

- Planned maintenance downtime does not count against PCS in service availability measures.

Emergency: Any unplanned facility activity or outage is defined as an emergency, and include maintenance procedures that must be initiated due to imminent service jeopardy or disruption. PCS will provide the ICN Service Desk information so that a best effort to notify customers of the impending maintenance and its impact can be completed. As with planned maintenance, written approval must be obtained from the ICN to proceed. Emergency maintenance is to be avoided due to lack of advanced notice to customer.

- Emergency maintenance does count against PCS for service availability measures.
- PCS will continue to provide ongoing maintenance support of the System software and hardware.
- PCS will ensure that the established escalation procedures are in compliance with the ICN Service Desk procedures. Priority Levels will be critical to establishing criteria to ensure that all maintenance and repair is completed in an appropriate time frame.
- When a System malfunction occurs, the Site Administrator, the ICN, or the DOC correctional staff should immediately contact PCS with a description of the problem and priority level. PCS shall respond to all maintenance and repair requests for service on its equipment or software within one (1) hour.

Remote Diagnostic System. The ICS shall support remote diagnostic system programming, polling and System alarm reporting. The DOC and ICN require that the equipment will have all of the above capabilities to facilitate maintenance, upgrades, etc. without staff intervention or staff on-site presence.

PCS shall provide a "high speed" remote connection to the System and/or develop a methodology that allows for a rapid transfer of software upgrades and other downloading requirements.

All PCS maintenance spares shall be stocked at JFHQ Armory with fully adequate stock always maintained.

The central equipment shall be ESF-B8ZS Loop Start T1 compatible. The T1's will be used for both station and trunk sides of the System. Individual analog channel Interfaces will not be accepted.

7. Training and Instruction. PCS shall provide training and instruction on the System to the State of Iowa users. All training on the System of the PCS Service Delivery Platform equipment will be provided as per the State requirements, listed below.

PCS shall provide in-person training to DOC staff in use of the System at each institution within one day of initial installation of the System at the onset of this Contract and within one week of ICN or DOC requests for additional training. Proper use of all features shall be emphasized. PCS shall provide a proposed schedule of training.

PCS shall provide one (1) complete set of training material/manuals for each institution. Training material may include printed documentation, video training, and audio training information.

PCS shall provide multilingual instruction at all facilities where requested by DOC.

- The training of inmates for call use shall be available in English with phone instructions (a written how-to brochure describing the functionality and proper use of the inmate phone system) in both English and Spanish. After initial training, any on-going training shall either be done by PCS on an as needed basis or at ICN request and shall be handled by ICN staff trained by PCS to accomplish this task. The in-person training for the phone use to a phone user shall be in English; but the instructions at the phone to each phone user, at Contract onset, shall be written in English and in Spanish (and Spanish dialects such as Mexican, Cuban, etc.). At a possible future time various Asiatic languages, including but not limited to Vietnamese, Thai, Chinese (and various major Chinese dialects), Hmong, and Korean or other languages may need to be added. The ICN for DOC, depending on inmate population mix, may change this requirement during the Contract period.

Training shall be maintained for all PCS staff on current upgrades and versions of all hard/software in the System.

8. Maintenance of Inmate Accounts and Reporting Requirements.

Inmate Accounts. All Inmates are provided by DOC a separate inmate phone account. The System shall be able to manage a general phone account for each inmate PIN and subsidiary accounts for each PAN number for each inmate PIN.

Deposits to Inmate Accounts. Deposits to inmate accounts, specifically for the use of the ICS, are received by the DOC Inmate Phone Account Unit. Deposits to inmate phone accounts are made through a nightly interface between the DOC banking system and the ICS. Received funds are credited to an inmate's phone account through this interface and are available for phone use within 1 business day (Monday through Friday excepting State Holidays). The System shall include provisions for both inmates and called parties to pre-pay or add funds to their general or subsidiary accounts. The System will be required to interface nightly with this system.

- The System shall be able to track daily deposits to each inmate's general account and/or the inmate's subsidiary accounts.
- PCS shall be able to track monies received by the DOC, from outside individuals that are to be earmarked to a certain telephone number (number in the PAN listing). These funds must be maintained separately from the general inmate's phone account and used only for calls made to that telephone number. Example: Grandma sends Johnny \$25.00 that is to be used only to call her, at a designated number. Grandma also sends in another \$25.00 that Johnny is able to call people other than Grandma, to be used at his discretion.
- Pre-Paid Deposit forms can be reviewed at: www.doc.state.ia.us. (open "Offender Telephone Services" then "Pre-Paid Service Forms").

- It is not intended that PCS physically handle monies.
- All applicable taxes and fees will be applied against the inmate outside of the ICS. Currently, the DOC removes all applicable taxes and fees prior to deposit. The System shall track, report and remove any applicable taxes and applicable fees from an inmate's account.

Rating Calls. Rating of calls shall be managed within the System.

- The System shall calculate the cost of each phone call based on the rates established by the Department of Corrections.
- The System shall not allow an inmate account to go in to a negative balance. The System shall have controls in place to prevent completed calls from allowing inmate accounts to go negative.
- Each call will be rated real time and, once complete, the cost of the call will be applied against the inmate's appropriate account.
- Inmates will not be charged for incomplete or rejected calls.
- Costs of completed calls made against specific PAN numbers will be subtracted from the balance available in specific PAN subsidiary accounts.

Financial Management of Inmate Accounts. PCS shall describe how other financial transactions are managed within the System. PCS shall define the types of financial transactions available and the functionality of each type of financial transaction.

- PCS understands that the financial management of inmate accounts is a critical function. Given the simplicity of the System PCS already has in place, there are only two types of financial transactions:
 - 1) Deposits - adding debit monies to inmate accounts based on purchases (manual or automated processes)
 - 2) Usage - automated process to subtract funds based on debit calls completed deductions - subtracting debit monies from inmate accounts for purposes of applying corrections (manual or automated processes)

Financial and Usage Reports. The System shall be capable of preparing reports showing total minutes of ICS use and number of calls by institution to the ICN on a daily basis, with a separate summary reporting either weekly, and another report on a monthly basis, based on calendar months. The reports generated by the System must show reconcile to the amounts of minutes used to the amounts used in the Financial Reports referenced in this Section and all other subsections to ensure that all ICS use is accounted for, and is reconciled to the Billing and Payment Services. **Where applicable, reports will be available in real time.**

- **Financial Reports.** PCS shall create any other reports upon ICN or DOC request within the time frame requested by the ICN or DOC. The System shall be able to run all reports by date parameters and establish the ability for ICN to run all of the same reports at selected ICN Finance workstations. All reports must have the ability to be exported into Excel. PCS shall provide the ability to do test reporting. A listing of current required reports is as follows:
 - **Debit Transaction Report:** Showing daily deposit amount, daily transactions for calls, daily adjustments made.
 - **Revenue Breakdown Report:** Showing revenue breakdown by institution, band, call count, duration of call, and amount of call.

- **Call Record Statistic System:** Showing call breakdown by institution, type of call (accepted, failed, refused or unanswered). Also, termination type and count for each type.
- **Call Attempts by date:** Showing call breakdown by day and type of call (accepted, refused or unanswered) if it was billed or a free call. Also showing call count, duration and amount for each category.
- **Call Attempts by Facility:** Showing calls billed or free calls, type of call (accepted, refused or unanswered) count, duration, and amount for each category.
- **Call Records:** Showing calls by Inmate ID, date of call, time of call, call type, bill type, duration, number called, system, station, and trunk.
- **Inmate Reports:** Showing all information relating to inmate; inmate access, inmate pans, inmate status and Inmate calling activity.
- **Trunk Reports:** Showing trunk revenue, trunk traffic, trunk usage.
- **Station reports:** Showing station revenue, station usage.
- PCS shall provide a pre FTP upload report, showing the System balances.
- PCS shall provide a post FTP upload report, showing the System balances.
- PCS shall provide an audit report between the Pre and Post FTP upload to confirm that the information is accurate within the System by reconciling the Post FTP upload report with the Pre FTP balances and the FTP itself. Should the audit find inaccuracies, PCS shall immediately notify the ICN and start working towards resolution.
- PCS shall provide report information and report data content instructions as needed and when needed in the interpretation and use of reports generated by PCS relating to all calling information and for all billing, collections and payment information. PCS shall assist in modification of such reports if necessary or if requested for ease of use by DOC or ICN personnel.

9. System Security. The System shall allow for various levels of access to information. Every institution has various staff working within the Inmate Calling System throughout the day. Different levels of security will be required for these individuals to allow access to the various modules of the System. For example, staff in the accounting departments shall have access to the financial portion of the System for their own institution but would not need access to the accounting sections of other institutions, monitoring or call record sections. Investigators shall have access to the monitoring and history sections of their institution as well as the other institutions.

- The ICN and the DOC can designate different levels of security that will allow certain individuals to access only the necessary module. The System's security feature is password protected for added security. A user can log on to the System, using an assigned user ID and password for access.
- The administrator will be able to create each individual's User ID, password, and account access. Each account login can be given its own set of privileges to view or have hidden each aspect of the GUI. Within each view, specific functions can be hidden, read-only, or given change privileges.

Additionally, a single institution may opt to not record calls.

- The System hardware and software is designed to allow for special programming that turns on and off features. The ICS can be programmed to record calls on all or selected channels. Individual number(s), such as that of an attorney, can be flagged in the PAN database to exclude recording.

Levels of security for both the application(s) and the operating system. PCS must apply recommended security patches to operating system and applications within a reasonable timeframe from their release. As an example, the ICN utilizes www.cert.org as a reference tool for these general system patches. The System shall support secure socket layer (SSL) based communication between all client and server communications.

- The ICS utilizes a flexible, user configured security system enabling a virtually unlimited level or array based architecture. Each login can be individually configured with specific "privileges" for access to major and minor application management features. Each feature in the application management GUI, The Administrator, can be given, or denied, access for each login account.
- PCS will supply the ICN with IP port information for any devices interfacing with the State network.

10. Additional PCS Responsibilities.

Entry to DOC Facilities. If a PCS employee must enter a DOC institution, the employee must meet any access criteria established by the DOC at the time of access. Such criteria may include employee background checks. For routine maintenance, PCS staff must give DOC staff a 24-hour advance notice of need to enter an institution for normal occasions, to include all instances except a trouble. If a trouble has been identified, 2 hour notice must be provided to the appropriate facility and personnel. It shall be PCS's responsibility to keep PCS staff apprised of DOC access requirements to DOC facilities.

PIN Numbers. Currently each inmate's access to process calls will be by Inmate ID number and the last four digits of the inmate's Social Security number. PCS shall be responsible for personal identification number (PIN) administration. PCS shall ensure that inmate(s) PIN follows the inmate(s) between institutions and are added and removed in a timely manner, preferably within one day of receipt of new inmate information supplied by DOC. A PIN must only be allowed to be active at one institution, although an inmate may carry his or her PIN to various institutions within Iowa if inmates are moved within the Iowa DOC institutional system. If DOC deems the social security number as the PIN, PCS's System shall be setup to accommodate that request. For inmates without social security numbers, PCS's System shall be setup to accommodate other PIN numbering.

ICN shall have the ability during the life of this Contract to select an alternate numbering system for inmate PIN numbers should such a change be necessary in ICN's opinion.

Area Codes. The current area codes for the prison locations are 319, 515, 563, 641 and 712. The System shall accommodate these area codes, plus all future new area codes, splits or overlays. Callers must be able to call any area code nationwide.

Operating Procedures. PCS shall respond to inmate families' and ICN staff inquiries (through the DOC) about billing the inmate for the pre-paid call, blocked calls, deactivating and activating PIN numbers with inmate movement between institutions, use of a help desk, proper posting and debiting of credits (incoming payments posted to the inmates telephone account) and debited charges (cost of a call) to inmate pre-paid phone accounts within no more than three (3) work days of receiving the inquiry. PCS's response to the inquiry must be accurate and courteous.

International Calls. The System shall provide international call capability. A live operator may handle some international calls if the operator is trained in the proper procedure in handling inmate pre-paid calls.

Site Administrator. ICN shall utilize the PCS Site Administrator, who shall be located within the ICN offices at the Grimes State Office Building, 400 East 14th Street, Des Moines, IA 50319.

- The Site administrator (Michael Boesenberg) will verify and confirm the nightly file transfer process and integrity and will enter personal identification (PIN) numbers for inmates that did not process. For some infrequent times, such as weekends and emergencies, entries might also be completed by an institution's phone contact person or by ICN hub site staff in the absence of the PCS Site Administrator.
- Current job description and list of duties for the PCS Site Administrator, includes, but is not limited to the following tasks:
 1. Maintain all databases relating to the Inmate Calling System. As part of confirming and maintaining the integrity of the file integration process entering missing and new inmate calling information; PINs and PANs.
 2. Handle all inmate and administrative comments, questions, and grievances.
 3. Prepare all reports and audits as required by the facility.
 4. Review all accounting and create closing statements on a weekly basis.
 5. Manage all debit revenue purchases through the commissary interfaces. This includes all debits and credits back to the inmate accounts.
 6. Assist with any investigation that is deemed necessary by DOC.
 7. Train and assist the DOC investigators to access recordings.
 8. Assist with the maintenance of all backups and the voice recordings.
 9. Provide regular preventive maintenance reports to the ICN and the DOC.
 10. Provide the maintenance of all call blocked and unblocked numbers.
 11. Manage AIT systems - functions, storing, and data retrieval.
 12. Work in the PCS proprietary database (SOPHIA) to troubleshoot issues related to blocked debit calls.
 13. Assist facility personnel with running reports and workstation queries.
- PCS trouble notification and escalation process. Following is the breakdown of the Technical Services Department (TSD) design as it relates to the trouble escalation process:

When a Support Request is assigned to PCS, the first notification will be an email sent out to the Site Administrator and TeamPCS.

When emailing into PCS –

- 1) The email routes into the TSD (troubleticket.iowa@teampcs.com)
- 2) A Tech Services Rep (TSR) is assigned to open a trouble ticket based on the information received from the ICN Service Desk, the ICN or the DOC. The ICN Service Desk will assign a Support Request for Incident Resolution to TeamPCS and the Site Administrator. An email will automatically be sent out to TeamPCS and the Site Administrator that a Support Request has been assigned.

- 3) The assigned TSR provides the ICN acknowledgement of the trouble ticket and begins troubleshooting the issue. The expectation is that TeamPCS or the Site Administrator will acknowledge/accept Support Request for Incident Resolution within one hour of assignment on a 24 hour, 7 days a week basis. (See Table 1, #6)
- 4) The TSR will provide follow up information to the ICN Service Desk until resolved. The ICN Service Desk will expect an update from PCS at the half-way between the creation date and the target date of the Support Request.

The ICN will call the PCS Technical Services Department (TSD) when (1) escalation is necessary, or (2) PCS has reported an email problem that prevents PCS from receiving the Support Request assignments via email, or (3) if the ICN or ICN Service Desk is experiencing email problems.

The call process is as follows:

- 1) When the (800) 6-INMATE number is called during normal business hours (Monday through Friday from 7:00 a.m. through 8:30 p.m. CST, the ICN Service Desk will assign the Support Requests to the PCS workgroup in Service Desk via an email to: troubleticket.iowa@teampcs.com. Service Desk will email the Site Administrator and TeamPCS to notify them of a newly assigned Support Request. The ICN Service Desk will call the PCS TSD for (1) escalation of a Support Request if the Support Request has not been accepted, (2) no updates have been made to the ICN Service Desk on the status of the Support Request after reaching the mid-point of the Support Request Target time, or (3) if the ICN Service Desk needs to escalate the Support Request to a higher level of authority or support.
- 2) The call will route to the TSD (N/A, unless ICN Service Desk calls for updates/escalations).
- 3) A Tech Services Rep (TSR) will answer the call and receive the information from the ICN Service Desk, the ICN or the DOC. The TSR will be responsible for contacting the ICN Service Desk once the Support Request notification email has been received. The TSR contact with the ICN Service Desk will be considered the acceptance of the Support Request.
- 4) The assigned TSR will open a trouble ticket and begin to troubleshoot the issue. The TSR will send or call the ICN Service Desk with the PCS internal trouble ticket number for inclusion in to the notes of the Support Request.
- 5) The TSR will provide follow up information to the ICN Service Desk until resolution.
- 6) If the TSRs are all on the phone / unavailable, the call will automatically route to the live answering service. The TSR or answering service will be responsible for contacting the ICN Service Desk once the Support Request notification email has been received. The TSR/answering service contact with the ICN Service Desk will be considered the acceptance of the Support Request.
- 7) The answering service will take a message, requesting all information that should be relayed to PCS.
- 8) The answering service will call back into PCS to relay the information received, either into a TSR, or into the Tech Services Supervisor (Alfredo Graham).
- 9) The answering service will also fax the details of the call into PCS.
- 10) A TSR will be assigned to the issue reported.

- 11) The assigned TSR will open a trouble ticket and begin to troubleshoot the issue. The TSR will send or call the ICN Service Desk with the PCS internal trouble ticket number for inclusion in to the notes of the Support Request.
- 12) The TSR will provide follow up information to the ICN Service Desk until resolve. The Support Request will be active until solution for the Support Request has been completed and verified with the customer. The period during which the ICN Service Desk is verifying customer service restoration will not be counted against PCS response times.

The (800) toll free Inmate number will be used by the ICN Service Desk only if PCS has reported an email problem that prevents PCS from receiving the Support Request assignments via email or if the ICN or ICN Service Desk is experiencing email problems.

For complaints or problems not handled to your satisfaction or within the required response times, listed below are the next levels of management, which may be contacted for further resolution:

The ICN Service Desk will begin the escalation process by sending a second email to the Site Administrator and TeamPCS if a Support Request for Incident Resolution has not been accepted within one hour of assignment to PCS. If the Support Request still has not been accepted after the first email escalation, the ICN Service Desk will start the escalation process listed below. If the Support Request target deadline is past, the ICN Service Desk will start the escalation process below.

1. One hour past the required timeline:

Technical Services Supervisor, Alfredo Graham

Direct Line (800) 350-1000, x 3018

Cell Phone (310) 893-9042

2. Two hours past the required timeline:

Manager of Technical Services, Saam Dowlatshahi

Direct Line (800) 350-1000, x 3029

Cell Phone (424) 731-0652

3. Three hours past the required timeline:

Manager of Inmate Operations, Daniel Gould

Direct Line (800) 350-1000, x 3022

4. Four hours past the required timeline:

Vice President of Operations, Doyle Schaefer

Direct Line (800) 350-1000, x 3027

Cell Phone (310) 600-6433

5. Five hours past the required timeline:

Chief Operating Officer, Tommie Joe

Direct Line (800) 350-1000, x 3037

Cell Phone (310) 922-3037

6. Six hours past the required timeline:

Chief Executive Officer, Paul Jennings

Direct Line (800) 350-1000, x 3101

Cell Phone (310) 600-3540

PCS shall continue to subscribe to an authorized Public Switched Network service (i.e., NANPA - North American Numbering Plan Administration). PCS must track and make changes for Area Code splits and any other public network numbering changes as identified by this service.

PCS must adhere to all ICN Standard Procedures for the working of trouble tickets, scheduling of Change Orders (Maintenance Windows), and chronic problem resolution.

11. Installation and Implementation.

- The installation and implementation time schedule is provided in Attachment B.
- Should PCS's System require integration with or use of other State systems not addressed within this Agreement, PCS will be required to agree to the ICN or DOC Standard Operation Procedures, depending upon the system and the level of integration.

Installation of the ICS shall be at PCS's expense, as will be removal of it upon cancellation or completion of this Agreement. PCS shall be responsible for all equipment and service and shall provide a PCS's customer service representative to oversee PCS's staff or manufacturers staff for the installation, and removal at Contract end, of all PCS's System components.

PCS shall fully assume the risk of loss and/or damage for any equipment that may be provided by PCS during shipment, unloading and installation.

PCS shall remove all packing crates, boxes, paper, packing materials and all other such extraneous material from the premises at PCS's expense after installation at each site.

12. Schedule of Implementation. Referring to Attachment B, PCS has submitted a complete and detailed schedule of the time required for installation steps, utility coordination, training, cutover and testing. The schedule shall include staff charts, dates, and any cutover aspects. Note that no institution has a higher installation priority than any other. The System shall be installed in a manner and under a time frame designed to minimize disruption of the normal functions of the DOC. Any delay in the schedule that is caused by DOC personnel will increase PCS's time allowed to cutover by the length of such delay.

The following is an overview of the tasks associated with the implementation process:

- Test the call processing hardware and workstations.
- Cutover the new System once telephones are operational.
- Remove existing/old equipment once the new ICS is set up and fully operational.

PCS shall be responsible for supervision, delivery, unpacking, placement, cabling, installation, testing and cutover of equipment provided by PCS. PCS shall coordinate all phases of installation with the ICN contact person, Ms. Vicki Wallis, P515-725-4630, F515-725-4635 or vicki.wallis@iowa.gov. PCS shall obtain the advice and written approval from ICN before making any modification or alteration to any building(s) or grounds. Should DOC approval be required for any installation item, ICN will be responsible for obtaining the DOC approvals for PCS. PCS shall barricade work areas to provide a safe condition for pedestrian and vehicular traffic.

PCS shall develop a complete System test plan that validates every System feature and capability. This test plan shall be a formal document to be executed by PCS upon approval of the ICN and others as required by the ICN. The test plan shall include at least 2 full System tests in addition to incremental testing.

- The standard "Pre & Post-Installation Set-Up and Testing Checklist" below describes a brief overview of the specific functions and testing conducted at each site covering the period from installation commencement through approximately 30 days following installation and set-up. With the establishment of all interconnectivity, voice prompts on the 66 blocks installed, certification of all physical connections, and network visibility a test account is established and tested on various phones to ensure local and T1 traffic is clear over all Central Office lines. At conclusion of network and PCS Service Delivery Platform interface testing, all inmate phones are tested for voice prompts, key pad functionality, test cut-offs (manual and automated), and other services including alerts and paging services. It is recognized that because the ICN is uniquely configured that there will be some variations from the standard. PCS will work with the ICN and DOC to resolve any of these issues prior to commencing installation and implementation.
 - Standard Pre Installation Checklist
 - Standard Post Installation Checklist
 - Test Call processor boots properly
 - Test workstation
 - Test LAN Connection
 - Test Cut off switches
 - Test T1
 - Test Private Data Network
 - Test phones for Dial-tone
 - Test phones for voice prompts
 - Make test call on phone (Local & Long Dist.)
 - Complete Closing Report

PCS shall comply with all applicable local and national Electric Codes when installing the System and shall ensure that the System conforms to all applicable local and national Electric Codes.

The ICN Engineering Division must first approve all wiring additions in the JFHQ Armory. All wiring additions to be made at any DOC institution must first be approved by appropriate authorized DOC institution personnel as specified by DOC. ICN Engineering Division must have advance knowledge and review of all wiring additions in any location.

PCS shall have Conversion Project Manager, Mr. Alfredo Graham, on site or in constant contact during the whole time that a conversion is in process until conversion is complete.

Physical Test. PCS shall provide a complete System for a physical test, which shall include fully installed and operational software and hardware. The test shall enable the State to enter ICS data into the System and verify the proper processing and reporting of the data. The duration of the physical test, shall be no shorter than 2 months, which shall be prior to full conversion to a new System to ensure that everything is working properly.

- After full System testing for a minimum 2 months, the System shall be cutover and made fully operational before midnight, September 30, 2007. Should PCS be unable to provide a full System for testing and subsequent cutover prior to July 30, 2007, PCS shall be assessed a deduction of \$1,450.00 for each day of delay, which will be deducted from PCS invoices once the System is operational. The ICN shall not hold PCS responsible for delays beyond PCS's control, however; PCS must take appropriate measures to mitigate any delay and shall keep the ICN fully aware of any potential issues that may cause a delay. The assessment of a deduction shall be at the sole discretion of the ICN.

13. Drug Free Workplace. PCS and all of its sub-contractors shall certify that they maintain a drug free workplace policy which includes a published statement which notifies employees that the manufacturing, distribution, dispensing possession or use of a controlled substance is unlawful and prohibited in the workplace and specifies actions that will be taken against an employee for such violations.

14. Equal Opportunity. PCS and all of its sub-contractors shall certify that the company or corporation maintains a practice of nondiscrimination and equal opportunity employment.

15. Debarment, Suspension and Other Responsibility Matters. PCS and all of its sub-contractors shall certify that the company or corporation is not presently, or within the last three years, debarred, suspended, proposed for suspension, declared ineligible, or excluded from covered transactions by any government agency; or has not been reported to or questioned by a consumer protection office regarding its business practices; or it or its officers or directors are not presently or within the last three years, indicted for or otherwise criminally or civilly charged by a government entity for the commission of a public offense related to its business; or has not, within the last three years, had any government transactions terminated for cause or default; or within the last three years, has been terminated from or denied extension of a contract for any of the reasons above in addition to PCS's failure to maintain compliance of contract specifications or has failed to bargain or negotiate in good faith, conflicts not clearly specified or contained in this Contract.

16. Safety. PCS shall follow all standard Safety Regulations including but not limited to all applicable federal, state, local safety regulations and OSHA regulations for all facets of the service functions described in this Agreement. It shall be PCS's responsibility to insure that PCS's staff is **A.** aware of all applicable safety rules, **B.** PCS staff follow all applicable safety rules, **C.** that appropriate safety regulations and rules are posted and updated so that, at all times, all PCS's staff is made aware of and told that they must **FIRST** and **ALWAYS** follow appropriate safety procedures and regulations for every facet of the work being described in this Agreement.

17. Payment Mechanism – Maintenance of Standards. This Agreement will tie PCS's payment to meeting the performance standards described in Attachment A, Sections 17 through 22.

18. Performance Standards. PCS shall perform the services described in this Agreement in a manner that ensures compliance with the performance standards described below.

The performance standards applicable upon Agreement execution and continuing until January 1, 2008 shall be as follows:

Standard #1: 90% of the Support Requests for Incident Resolution with the impact of Low - Service Degraded for one user must be restored within 48 hours of notice to PCS.

Standard #2: 90% of the Support Requests for Incident Resolution with the impact of Medium- Service Down for one User or Degraded for Several users must be restored within 24 hours of notice to PCS.

Standard #3: 90% of the Support Requests for Incident Resolution with the impact of High- Service Down for Several Users must be restored within 6 hours of notice to PCS.

Standards #4, 5, 6 & 7 as listed in Table 1 are applicable during the entire term of the Contract.

Beginning January 1, 2008, the Performance Standards listed in Table 1 shall be effective and continue for the balance of the Agreement term.

Table 1

| # | STANDARD | METHOD OF MEASUREMENT |
|---|--|--|
| 1 | 90% of the Support Requests for Incident Resolution with the impact of Low - Service Degraded for one user must be restored within 24 hours of notice to PCS. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 2 | 90% of the Support Requests for Incident Resolution with the impact of Medium- Service Down for one User or Degraded for Several users must be restored within 8 hours of notice to PCS. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 3 | 90% of the Support Requests for Incident Resolution with the impact of High- Service Down for Several Users must be restored within 4 hours of notice to PCS. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 4 | 90% of the "Support Request for Change" tickets are to be completed within two (2) business days. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 5 | 90% of the "Support Requests for Change" should be accepted with receipt acknowledgement within twenty-four hours of receipt by PCS. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 6 | 90% of the all Support Requests for Incident Resolution should be accepted with receipt acknowledgement within the first hour. | Reports generated by the ICN's internal service desk ticketing software. Measured Monthly and automated reporting required.* |
| 7 | All Financial and Usage reports shall be electronically accessible and available, where applicable, in real time, to the ICN. Should a report be unavailable or inaccurate, PCS shall have 48 hours to provide the complete and accurate report. | Automated or manual reports requested and/or generated from the ICS shall be reviewed and verified by the ICN to determine the completeness and accuracy of the data and reports derived from the ICS. |

19. Monitoring Performance. Each of the performance standards described in the column entitled "Standard" shall be monitored in accordance with the "Method of Measurement" described in Table 1.

20. Review of Performance and Credit Computation. At the end of each month, the ICN shall review PCS's performance under this Contract in light of the relevant Standard and Method of Measurement in Table 1 to determine whether PCS met the performance standards during the previous month.

If PCS met at least 6 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall pay PCS the entire amount of monthly compensation described in Section 6 of this Contract for that month.

If PCS met only 5 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 5% of the amount of monthly compensation described in Section 6 of this Contract from the amount otherwise due to PCS for that month.

If PCS met only 4 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 10% of the amount of monthly compensation described in Section 6 of this Contract from the amount otherwise due to PCS for that month.

If PCS met only 3 of the 7 performance standards described in the column entitled "Standard" in Table 1, the ICN shall subtract 15% of the amount of monthly compensation described in Section 6 of this Contract from the amount otherwise due to PCS for that month.

If PCS meets fewer than 3 of the 7 performance standards described in the column entitled "Standard" in Table 1, for three consecutive months, the ICN shall subtract 20% of the amount of monthly compensation described in Section 6 of this Contract from the amount otherwise due to PCS for each subsequent month in which PCS fails to improve the number of performance standards that it meets. If PCS fails to improve its performance within 60 days of the last day of the month that PCS first met fewer than 4 of the 7 performance standards, the ICN may terminate this Contract without incurring any additional expenses.

Pursuant to Standard 7, should PCS's System be unable to provide the Financial or Usage report requested or required by the ICN, in real time, in complete and accurate form, PCS shall have 24 hours to provide the requested report to the ICN. Should PCS be unable to provide the report within 24 hours, the ICN shall deduct \$100.00 per day the report is late and or inaccurate.

21. Low, Medium and High Impact issues are described as:

Low Impact – Support Requests for Incident Resolution

For the purpose of applying performance measures and damages, Support Request for Incident Resolution with the impact level of "Low – Service degraded for one user" shall be defined as, but not limited to:

- ICS connection issues on a single phone number for an inmate (Unable to call a single phone number)
- Calls being cut off for a single inmate
- Inmate listed as being at the wrong location (institution)
- Re-recording of an inmate name
- Long pauses during call processing for a single inmate
- Inmate unable to check account balance
- Invalid location for an inmate



Medium Impact – Support Requests for Incident Resolution

For the purpose of applying performance measures and damages, Support Request for Incident Resolution with the impact level of "Medium – Service down for one user or degraded for several" shall be defined as, but not limited to:

- Inmate unable able to make any calls
- ICS connection issues for more than one inmate at an institution
- Calls being cut off for multiple inmates at the same institution
- Multiple inmates listed as being at the wrong location (institution)
- Long pauses during call processing for multiple inmates
- Multiple inmates unable to check account balance at the same institution
- Invalid locations for inmates
- DOC employees unable to bring up phone records and/or accounts.

High Impact – Support Requests for Incident Resolution

For the purpose of applying performance measures and damages, Support Request for Incident Resolution with the impact level of "High – Service down for several" shall be defined as, but not limited to:

- Multiple inmates unable to make calls at an institution
- Multiple inmate accounts are incorrect at an institution
- Transactions are not logged onto the accounting system and/or effectively downloaded for system integration
- Critical functions of system management and administration cannot be conducted by the management terminals
- Recording system fails

PCS shall monitor System performance and identify any System or functional outages. PCS shall notify the ICN when it identifies any System or functional outages. In addition, the ICN shall notify PCS when it observes any System or functional outages that PCS has not reported to the ICN. The ICN shall assess damages based on the information gathered from PCS and from its own observations.

22. Support Request for Change shall include, but not be limited to: ICN requests of PCS to input, verify or research data in the System; make repairs, modifications, upgrades or additions to the System equipment, software and functionality.

23. Monitor and Review – Compliance with Standards. The ICN shall monitor PCS's compliance with the performance standards listed in Attachment A, Section 17. This Contract will be monitored using reports generated by the ICN's internal service desk ticketing software and PCS's automated reports. The ICN shall review PCS's performance and determine the level of payment to be made to PCS in accordance with the payment mechanism described in this Contract. ICN will provide copies of performance reports for PCS to review. A designated PCS employee will review the report and submit a written response for each Support Request for Incident Resolution as to why the Support Request was non-compliant and did not meet timing standards. Upon review of the non-compliant Support Requests listed in the performance reports, if the underlying issue of a support request for incident resolution is determined to have resulted from equipment and/or actions of the Department of Corrections (and their vendors) or the Iowa Communications Network (and their vendors), PCS will not be held accountable for that Support Request and the Support Request will be considered compliant. If the underlying issue of a support request for incident resolution is determined to have resulted from PCS and/or PCS vendors' equipment and/or actions, the Support Request will be considered non-compliant.

24. On-Site Personal Computer, Components and Printer. The System hardware at each institution and at JFHQ Armory has and it is expected to continue to include, a desktop personal computer (PC) (with keyboard and high speed modem) with an internal CD drive with CD-RW capabilities, a standard floppy disk drive, screen with enhanced color monitor, and a connected printer at each site, all to be supplied by the DOC. A standard 90-minute cassette player/recorder, with appropriate cables for connection to the PC, has also been utilized and DOC has also supplied this. The PC with components was to be used for System administration, alarm reporting and real time or delayed call recording and for playback. Currently, should a PC go down, the responsibility is on DOC to handle repairs, and there is no down time liability to PCS for Inmate Calling Service loss due to a PC failure.

- The proposed ICS operational functionality is not reliant on the PCs that the DOC provides. Therefore, if a PC is down, there will be no down time liability to the ICS and its data. PCS shall use its state-of-the-art Wide Area Network to collect call records from each individual call processor at the Iowa DOC facilities to ensure reliable and continuous data flow from the PCS Service Delivery Platform call processor to and from the personal computer at each Iowa DOC facility. PCS will use a flexible polling algorithm to download the call detail records from the ICN and DOC call processors. In addition, the ICS has the capability of being accessed from a specific computer or from any network connected unit.

25. Optional items the ICN/DOC would like to consider for future use:

Biometric System. To prevent fraud and protect inmates' accounts, a biometric method of inmate verification in addition to the inmate ID number and the last four digits of the inmate's Social Security number (if no Social Security number exists, the four digits MM/DD of the inmate's birthday will be used) would be desirable.

Dual Rating. The ability to have/provide two rates for local and long distance land line calls and cell phone calls.

Three Way Calls. The use of current and available procedures and options with which to handle and prevent three way calling.

Telezapper Technology. The PCS ICS is based on advanced technology that completely ignores these tones and prevents fraudulent use of the inmate phone system. If the called party does not accept the call, then the ICS automatically terminates the call and establishes no connection.

Caller ID. The ICS is fully capable of providing caller ID functions. As requested above, the current System will allow the called-to party to see the State DOC facility's name and number on their caller ID; however, they will not be able to call back as the System prevents all incoming calls. If an outside party identifies an outgoing trunk number at the State of Iowa DOC facility and tries to call that number, the party will receive an announcement stating that this number does not accept any incoming calls.

PCS Proposed Options. PCS proposed value added services may be presented as options for the ICN and the DOC to consider at a later date.

Flat Rating. The PCS System is capable of setting any rate desired whether flat or variable by time of day, day of week, hour of day, or distance being called.

Inmate Voice Mail boxes. The System shall have capabilities as it applies to the provision of Inmate Voice Mail Boxes.

Cell Phone Usage and Blocking. The System shall have capabilities as it applies to Cell Phone usage and blockage within the correctional institutions.

PCS has provided and offered cell phone detection and blockage devices in the past and can provide the same to each of the Iowa facilities after identification of a more definitive application.

Dual Commissary Accounts. PCS shall provide a service offering as it pertains to one account for phone calls and another account for other purchases.

- PCS provides dual commissary accounts. These accounts include the following:
- Inmate-bank acct
- Commissary acct
- Sub-phone acct

These accounts are set up through the commissary, and inmates use the commissary bubble sheet to initial where funds are to be deposited. For instance, once funds are deposited in the phone account, the funds are secure with a use-it-or-lose-it policy and are reconciled daily against actual use. This process is based on the DOC's current policy. The accounts have various features that are used as a theft protection device. PIN security, PIN management by facility, and PAN protection and one-way fund movement are all ways to avoid theft.

Convergence of Voice and Data Networks. PCS utilizes a VOIP telephony network that could be deployed to allow local-to-local call termination. Traffic engineering would be employed to establish the call capacity needed to support the various local calling areas. The cost benefits would be to reduce costly intrastate long distance call volumes by increasing local call termination. To further reduce intrastate long distance call traffic to regions not supported by local facilities, PCS could provide for these calls to terminate as interstate calls which are typically lower in cost.

The System shall have the capability of allowing the DOC to attach an inmate call recording to an e-mail.

- The proposed ICS has the capability of allowing the DOC to attach an inmate call recording to e-mail. The recording can be attached as a .wav file to an email. This allows for routine investigations where an investigator can work from a remote location without having to go to each facility to listen to recordings. For more sensitive call recording it would be possible to use an encryption application that protects the recording from anyone not in the position of the encryption key. Only by using the encryption key would anyone be able to unlock the recording for access, which will ensure the integrity of the emailed recording.

The System shall accommodate two different classes of end users of the System such as the inmates at the DOC or residents under the care of the Department of Human Services. PCS shall detail the segregation of systems, duties, monies, procedures, etc, to effectively operate and maintain a dual system.

- The PCS System can be configured by calling classes, which provides the users needing special calling criteria or methods to be customized. Alternative calling methods such as no PIN's, speed dials, no PAN's, could be applied on an inmate or facility basis. There is no need for additional duties because the segregation of System and/or features are all integrated on one System, which makes the process effective and efficient in its operations.

26. Contract Costs. Pertaining to this Agreement 06-015, the ICN shall not provide monthly payment to PCS prior to the system cutover date of October 1, 2007.

- 1) Fixed monthly cost to lease a turnkey system: **\$42,000.00**
Detail of cost components that are included in the monthly cost:

Fixed Monthly Cost Detail:

| | |
|----------------------|----------|
| Equipment Rental | \$11,950 |
| Site Administrator** | \$ 3,250 |
| Frame Relay | \$ 500 |
| Platform Charges | \$26,300 |

- 2) Monthly variable costs:

| | | |
|-------------------------------|----|---|
| Hardware: | \$ | \$800/month for every additional T-1 port added |
| Software: | \$ | <u>All upgrades included in Platform Charges</u> |
| Billing / Invoicing Services: | \$ | <u>Cost for debit services included in Platform charges</u> |
| Per call Fees: | \$ | <u>\$0.31 per completed call over 60,000</u> |
| Administration: | \$ | <u>Included in Platform Charges</u> |

- 3) There shall be no other charges and/or other costs or fees associated with this Agreement.

ATTACHMENT B Implementation Plan



Book1.xls (29 KB)

A handwritten signature in blue ink, appearing to be 'C. H. B.' or similar, located in the bottom right corner of the page.

Amendment 1
ICN Contract 06-015

THIS AMENDMENT is made by and between the IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION operating the Iowa Communications Network (collectively, ICN) and on behalf of the Iowa Department of Corrections (DOC), and PUBLIC COMMUNICATIONS SERVICES, INC. (PCS). In consideration of the mutual promises herein made, ICN and PCS agree as follows:

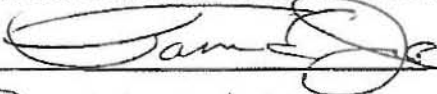
SECTION 1. PURPOSE OF AMENDMENT. DOC has identified the need for an additional T1 interface at the DOC Oakdale location. The parties intend to amend the Scope of Services section of the Agreement to add the following:

Effective October 1, 2007, PCS will invoice ICN \$800/month for an additional T1 interface at the DOC Oakdale location which revises the monthly invoice amount for the Inmate Calling System to \$42,800.00. This monthly invoice total covers all costs for 21 T1 interfaces.

SECTION 2. AMENDMENT ALLOWED. Sections 5.3 and 20.3 of the Agreement provide for amendments with mutual written consent of the parties.

SECTION 3. EXECUTION. In full consideration of the mutual covenants set forth above and for other good and valuable consideration the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties have entered into this Amendment and have caused their duly authorized representatives to execute this Amendment. All previous terms and conditions of the Agreement shall remain in full force and effect except as modified by this Amendment.

PUBLIC COMMUNICATION SERVICES, INC.

By: 

Title: President & COO

Date: 9/12/07

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION Operating the IOWA COMMUNICATIONS NETWORK

By: 

Title: ICN CONTRACTING OFFICER

Date: 9-13-07

Amendment 2
ICN Contract 06-015

THIS AMENDMENT is made by and between the IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION operating the Iowa Communications Network (collectively, "ICN") and on behalf of the Iowa Department of Corrections ("DOC"), and PUBLIC COMMUNICATIONS SERVICES, INC. ("PCS"). In consideration of the mutual promises herein made, ICN and PCS agree as follows:

SECTION 1. PURPOSE OF AMENDMENT.

A) The Parties shall exercise a one year Agreement renewal. The renewal term shall start October 1, 2010, and end September 30, 2011. The Agreement may be extended with mutual written consent for three additional one-year periods.

B) Attachment A, Scope of Services, is amended as follows effective September 7, 2010:
PCS escalation contact information listed in Section 10 is deleted in its entirety and replaced with the following:

Escalation to PCS

ICN- Inmate Calling Service - Change/Information

This service is provided from 0800 to 1630 weekdays.

Issues that go beyond the Target Date are escalated internally for direction.

ICN-Inmate Calling Service - Incident

This service is provided 24 hour a day / 7 Days a week. Support Requests for Incident Resolution will be worked according to the following standards:

ICNSP 2030 - Service Desk Support Request Management

ICNSP 2002 - Operations Notification and Escalation

If the Target Date is exceeded on an Incident Resolution Support Request, the following contacts shall be made until a satisfactory result is obtained- (24 hours a day / 7 Days a week). If at any time there are questions on an escalation, the ICN Service Desk should escalate internally for support.

1. One hour past the Target Date:

Technical Services Supervisor, Matthew McFalls

Direct Line: (817) 491-5163

Cell Phone: (424) 832-4787

2. Two hours past the Target Date:

Field Service Manager-East Coast, Maureen O'Gorman

Direct Line: (910) 646-3177

Cell Phone: (603) 738-4555

3. Three hours past the target Date:
Manager of Technical Services, George McNitt
Direct Line: (817) 491-5160

4. Four hours past the target Date:
Vice President of Operations, Doyle Schaefers
Direct Line: (800) 350-1000, x 3027
Cell Phone: (310) 600-6433

5. Five hours past the Target Date:
Chief Operating Officer, Tommie Joe
Direct Line: (800) 350-1000, x 3037
Cell Phone: (310) 922-3037

6. Six hours past the Target Date:
Chief Executive Officer, Paul Jennings
Direct Line: (800) 350-1000, x 3101
Cell Phone: (310) 600-3540

C) Section 26 is deleted in its entirety and replaced with the following:

26. **Contract Costs.** Pertaining to this Agreement 06-015.

- 1) Fixed monthly cost to lease a turnkey system: **\$42,800.00**
Detail of cost components that are included in the monthly cost:

Fixed Monthly Cost Detail:

| | |
|----------------------|----------|
| Equipment Rental | \$11,950 |
| Site Administrator** | \$ 3,250 |
| MPLS | \$ 500 |
| Platform Charges | \$26,300 |

- 2) Monthly variable costs:


| | |
|------------------------------|--|
| Hardware: | \$800/month for every additional T-1 port added |
| Software: | All upgrades included in Platform Charges |
| Billing/ Invoicing Services: | Cost for debit services included in Platform charges |
| Per call Fees: | \$0.31 per completed call over 60,000 |
| Administration: | Included in Platform Charges |

- 3) There shall be no other charges and/or other costs or fees associated with this Agreement.


SECTION 2. AMENDMENT ALLOWED. Sections 5.3 and 20.3 of the Agreement provide for amendments with mutual written consent of the parties.

SECTION 3. EXECUTION. In full consideration of the mutual covenants set forth above and for other good and valuable consideration the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties have entered into this Amendment and have caused their duly authorized representatives to execute this Amendment. All previous terms and conditions of the Agreement shall remain in full force and effect except as modified by this Amendment.

PUBLIC COMMUNICATION SERVICES, INC.

By: 
Title: President & COO
Date: 10/1/10

IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION
Operating the IOWA COMMUNICATIONS NETWORK

By: 
Title: ICN CONTRACTING OFFICER
Date: 9-28-10

**Amendment 3
ICN Agreement 06-015**

THIS AMENDMENT is made by and between the IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION operating the Iowa Communications Network (collectively, "ICN") and on behalf of the Iowa Department of Corrections ("DOC"), and Public Communications Services, Inc. ("PCS"). In consideration of the mutual promises herein made, ICN and PCS agree as follows:

SECTION 1. PURPOSE OF AMENDMENT. The Parties hereby agree to amend the Agreement as follows:

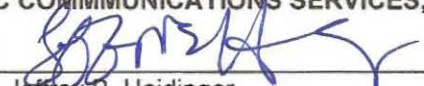
A) Section 2. Term is amended to provide a month to month renewal option.

B) Effective October 1, 2011, the Agreement shall automatically renew on a month to month basis unless terminated according to Section 14. The automatic month to month extensions shall not extend the term of the Agreement beyond September 30, 2013.


SECTION 2. AMENDMENT ALLOWED. Sections 5.3 and 20.3 of the Agreement provide for amendments with mutual written consent of the parties.

SECTION 3. EXECUTION. In full consideration of the mutual covenants set forth above and for other good and valuable consideration the receipt, adequacy and sufficiency of which are hereby acknowledged, the parties have entered into this Amendment and have caused their duly authorized representatives to execute this Amendment. All previous terms and conditions of the Agreement shall remain in full force and effect except as modified by this Amendment.

PUBLIC COMMUNICATIONS SERVICES, INC.

By: 
Jeffrey B. Haidinger
Title: President, Services
Date: 2/6/12

**IOWA TELECOMMUNICATIONS AND TECHNOLOGY COMMISSION
Operating the IOWA COMMUNICATIONS NETWORK**

By: 
Title: Executive Director
Date: 2-3-12