

AMENDMENT

It is agreed by and between the State of Vermont, Department of Corrections (hereafter called "State") and Public Communication Services of California, Vermont (hereafter called "Contractor") that contract #4169 dated 6/10/02 between said State and Contractor is hereby amended as follows:

To change contract end date from July 31, 2006 to September 30, 2006

Additionally, it is hereby agreed and understood that this contract has no minimum amount. The Contractors' services will be required on an "as needed" basis.

Except as modified by this above amendment, and any and all previous amendments to this contract, all provisions of this contract #4169 dated 6/10/2002 shall remain unchanged and in full force and effect.

The effective date of this amendment is July 31, 2006.

APPROVED AS TO FORM

STATE OF VERMONT
AGENCY OF HUMAN SERVICES
DEPARTMENT OF CORRECTIONS

MJ Salem
Attorney General's Office

[Signature]
Robert D. Hofmann, Commissioner

Date: 8/3/06

Date: 9/19/06

CONTRACTOR: Public Communication Services

Signed: [Signature]
Tommy E. Joe
(Please PRINT Signature)

Address: 11859 Wilshire Boulevard, Suite 600
Los Angeles, CA 90025

Date: 9/13/06
[Signature]

9/19/06
Accounting
AHS
Sharon Welch
Public Communication
Services

September 8, 2006

Contract #10314

Change #1

Amendment

It is agreed by and between the State of Vermont, Department of Corrections (hereafter referred to as “State”) and Public Communications Services Inc., a California corporation (hereafter referred to as “Contractor”) that contract #10314 dated October 1, 2008 (the “Contract”) between said State and Contractor is hereby amended as follows:

Standard Contract for Personal Services

3. Maximum Amount

This item will now read as follows:

“In consideration of the services to be performed by Contractor, the State agrees to pay Contractor in accordance with the payment provisions specified in Attachment B.”

4. Contract Term

This item will now include:

“Contractor and State shall have the right to mutually extend the Contract for two (2) additional one year terms provided such extensions are in the best interests of both parties.”

Attachment A – Specifications of Work to be Performed

1. Inmate Accounting System

- 1.1 Revised number of total simultaneously available software licenses to run proprietary software over Citrix. The **new** total number of licenses supplied to the State will be (35) thirty-five as follows:

18	Correctional Facility Administrators (2 per facility)
1	Al Johnson-DOC Administrator
1	Lorie White-DOC Auditor
2	Out of State Unit
1	Sheila Ward-Administrator Back-up
12	Facilities (Booking/Inmate Property)
35	TOTAL SIMULTANEOUS LICENSES NEEDED

1.7 Canteen Manager System Enhancement Timeline and Sanctions for Non-Compliance:

- 1.7.1 Deliverable date will be changed from September 22, 2006 to October 2, 2006.
- 1.7.2 Deliverable date will be changed from October 16, 2006 to October 23, 2006.
- 1.7.3 Deliverable date will be changed from October 23, 2006 to October 30, 2006.
- 1.74 Deliverable date will be changed from November 6, 2006 to November 13, 2006.
- 1.75 Deliverable date will be changed from November 27, 2006 to December 4, 2006.

Sanctions/Penalties for Non-Compliance (Canteen Manager System Enhancements):

A per-day penalty for non-compliance with deliverable dates will be imposed on each deliverable item for each calendar day the item is not fully-functional beyond the deliverable date. These funds will be remitted to the State of Vermont DOC and forwarded to the VT DOC Inmate Recreation Fund. Penalties for non-compliance are as follows:

<i>Days late on deliverable</i>	<i>Fine/Sanction</i>
1-15 calendar days late	\$50 per day, per item
16-30 calendar days late	\$100 per day, per item
31 or more days late	\$500 per day, per item

However, there will be no penalties, fines, or sanctions imposed in relation to project delays if such delays are caused by one or more of the following:

- Failure of the State of Vermont or any of its employees, contractors, or other outside entities to carry out their obligations in relation to this contract in a timely manner in accordance with the requirements of this contract
- Delays caused by force majeure or acts of god that are beyond the reasonable control of Contractor
- Delays from the schedule described herein due to changes in scope or other aspects of the project with the approval of the State of Vermont and Contractor

1.11 This item will now read as follows

“The accounting software must be capable of managing various asset and liability accounts that may be customized as mutually agreed upon by the Contractor and the State.”

1.20 This item will now include:

“(a) **State Systems.** State acknowledges that, in connection with the services being provided hereunder, Contractor may need to operate certain information technology systems, including but not limited to point-of-sale devices, e-commerce solutions, and computer hardware and software services and applications (“Non-State Systems”). State further acknowledges that the Non-State Systems may need to interface with or connect to State’s networks and information technology systems (“State Systems”). Therefore, State agrees to allow Contractor to interface and connect

the Non-State Systems and State Systems to the extent necessary for Contractor to perform the services hereunder, and to provide Contractor with any reasonably requested assistance and cooperation in connection therewith.

(b) Security. State shall be solely responsible for all State Systems, and Contractor shall be responsible for all Non-State Systems, including taking the necessary security and privacy protections as are reasonable under the circumstances. Reasonable security and privacy protections shall include, but not be limited to, network firewall protection, anti-virus software and the ability to maintain regular patching levels of software. Each party shall use commercially reasonable procedures to check for commonly known viruses and to check the integrity of data before sending information electronically to the other party, but each party recognizes that such procedures cannot be a guarantee that transmissions will be virus free. Each party agrees that the receiving party shall be responsible for carrying out virus checks on any attachments before opening any electronic files whether received on disk or otherwise.

(c) Indemnification. State shall indemnify, defend and hold harmless Contractor from all claims, liabilities, damages and costs (including reasonable attorneys' fees) to the extent caused by (i) the State Systems, including any breach or compromise thereof; (ii) State's failure to implement reasonable security and privacy protections; or (iii) State's failure to implement a change requested by Contractor for the purpose of complying with the Data Protection Rules."

2. Inmate Commissary Services

2.12 Apparel and Clothing Catalogue Program

This item will now read as follows:

"Contractor will offer and maintain a special apparel and clothing catalogue program expanding the variety of items offered to eliminate the need for outsourcing these items to other vendors. This program will commence 30 days after the catalogue items (menu) has been approved by VT DOC. These items may be ordered once a month and allowed a two-week turnover to eliminate the need to warehouse these items. State of VT DOC will receive a 10% commission from items sold through the apparel and clothing catalogue program."

2.14 Commissary Ordering

This item will now read as follows:

"Commissary orders will be placed using order forms supplied by the Contractor. Contractor shall pay to have order forms shipped from VT DOC facilities via DHL (or similar service) to achieve a next-day delivery of order forms for order fulfillment. If an order-by-telephone system is created by Contractor/Canteen, this upgrade will be made available immediately to VT DOC for the remainder of this contract."

2.15 Commissary Order Priorities

This item will now read as follows:

“Commissary orders must be filled using the following item priority:

1. Debit Telephone purchases
2. Other commissary items

If further item prioritization is required by VT DOC, menus will be organized by order fulfillment priority on an item by item basis.”

2. Inmate Commissary Services-Additional Items

2.26 Web Deposits

Web Deposit capabilities through the MyCarePack website will be fully functional by November 6, 2006. The deliverability of this item carries the same potential penalties/sanctions for non-compliance as items listed above in item 1.7 Canteen Manager System Enhancements.

2.27 Web Ordering Ability

Commissary Ordering capabilities via the MyCarePack website will be fully functional by December 1, 2006. The deliverability of this item carries the same potential penalties/sanctions for non-compliance as items listed above in item 1.7 Canteen Manager System Enhancements.

3. Inmate Telephone Services – Additional Items

3.18. Right of Access

Any equipment installed by Contractor pursuant to the Contract (the “Equipment”) is and shall remain the sole property of Contractor. State agrees that Contractor's agents and employees shall have the right to enter the facilities at any reasonable hour for the purpose of installing, inspecting, maintaining, repairing, moving, or removing the Equipment, or for the purpose of making collections from coin boxes. State shall provide a safe working environment for Contractor's agents and employees during such visits. Whenever Contractor ceases to provide Equipment or services at any facility, State shall provide safe access to such facility for Contractor’s removal of Equipment from such facility, and State agrees to cooperate, and not to interfere, with Contractor's removal of the Equipment. State shall not require waivers or releases of any personal rights from employees or agents of Contractor in connection with such visits to the facilities.

3.19. Regulatory Changes

a. The Contract is subject to the applicable provisions of Contractor’s tariff(s), to federal and state laws, rules, and regulations relating to inmate telephone services, and to

regulatory or other governmental orders, rules, regulations or approvals as may apply from time to time (collectively, the "Laws"). The parties acknowledge and agree that the applicable Laws may be deleted, amended, or added to from time to time, and that such alterations may create a conflict between the then-current Laws and the terms or operation of the Contract.

b. The Contract may be renegotiated at Contractor's option in the event that any alteration in the Laws (including but not limited a rate change mandated by a federal, state or local regulatory authority) adversely affects Contractor's ability to fulfill its obligations under the Contract in a manner that, in Contractor's sole discretion, meets Contractor's business or economic requirements. In this event, Contractor shall provide written notice to State of the need to renegotiate the Contract. Both parties agree to renegotiate the Contract terms in good faith, and to agree upon any provisions necessary in order to meet such altered Laws as well as Contractor's business or economic requirements. If the parties fail to renegotiate the Contract and successfully agree upon provisions reasonably acceptable to Contractor within sixty days from the date that State first received Contractor's renegotiation notice, Contractor may at any time thereafter terminate the Contract upon thirty days written notice to State.

3.20. Inmate Telephone Equipment Leasing

State acknowledges and agrees that Contractor may enter into one or more lease transactions for some or all of the Equipment within a particular facility. In each such case, a third party will purchase the Equipment as lessor and Contractor will lease the Equipment as lessee. In the event the Equipment is leased, State agrees to provide such documentation as may reasonably be required by the lessor and Contractor. 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. State acknowledges and agrees that an Equipment lessor may require that UCC financing statements be filed regarding the Equipment owned and leased by such lessor.

5. Miscellaneous

a. Entire Agreement. The parties acknowledge that no other person or any agent or attorney of any other individual or entity has made any promise, representation or warranty whatsoever, express, implied or statutory, not contained herein, concerning the subject matter hereof, to induce the execution of the Contract, and each signatory hereby acknowledges that it has not executed the Contract in reliance upon any such promise, representation or warranty. The Contract represents the entire agreement between the parties and supersedes all prior negotiations, representations or agreements between the parties, either written or oral on the subject hereof.

b. Modification In Writing. The Contract may be amended or modified only by a written instrument designated as an amendment to the Contract, and executed by the parties hereto.

c. Force Majeure. If the performance of the Contract or any obligation hereunder is interfered with by reason of any circumstances beyond the reasonable control of the party affected, including without limitation fire, explosion, power failure or acts of God; war, civil

commotion or acts of public enemies, any law, order, regulation, ordinance or requirement of any government or legal body or any representative of any such government or legal body, labor unrest, including without limitation, strikes, slow downs, picketing or boycotts, then the party affected shall be excused from such performance to the extent that such interference prevents, delays or hampers performance and the other party shall likewise be excused from performance of its obligations provided that the parties so affected shall use reasonable efforts to remove such causes of non-performance.

d. Limit on Liability. Except as expressly provided for in the Contract, the liability of any party in connection with the Contract shall be limited to the economic losses of the injured party caused by the other party's injurious action or inaction. In no event may punitive or exemplary damages be sought or awarded by either party as to any claim or cause of action.

e. Execution of Addendum. This Addendum may be executed in counterparts, and when each party has signed and delivered at least one such counterpart, each counterpart shall be deemed an original, and, when taken together with the other executed counterparts, shall constitute one agreement, which shall be binding upon and effective as to all parties.

f. Cooperation. Each party agrees to work in good faith with the other, and to cooperate fully in the completion of all actions that may be reasonable, convenient, necessary, or desirable to carry out the provisions of the Contract, for Contractor to provide the services required under the Contract, and for State to carry out its obligations under the Contract. State hereby grants to Contractor the authority to do all things reasonable, necessary, convenient, or desirable to manage and conduct and to provide the services required under the Contract.

g. Indemnity.

1. Except as to rate-related matters, regulatory or otherwise, Contractor agrees to protect, defend, indemnify and hold State, and any of its officers, directors, agents, contractors and employees harmless from and against any and all loss, costs (including reasonable attorneys' fees), damages, liabilities, claims, liens, demands or causes of action of every nature, including damage to property or injury or death to persons arising directly or indirectly out of Contractor's breach of its obligations under the Contract.

2. State agrees to protect, defend, indemnify and hold Contractor, its parent company and any of their officers, directors, agents, contractors and employees harmless from and against any and all loss, costs (including reasonable attorney's fees), damages liabilities, claims, liens, demands or causes of action of every nature, including damage to property or injury or death to persons arising directly or indirectly out of State's breach of its obligations under the Contract.

Attachment B – Contract for Services Payment Provisions

1. This item will now read as follows:

“Contractor agrees to invoice the State for commissary sales no less frequently than weekly. The Contractor agrees to render an invoice to the State by fifteen (15) days following the last day of the month in which the service was provided. Payment of commissary invoices is on behalf of Vermont inmates.”

4. This item will now read as follows:

“Contractor agrees to pay the state 31.6% commission on all debit, collect and pre-paid collect inmate telephone calls. Refer to Attachment I for inmate telephone rates. Commission will be remitted to the State no later than **(45) forty-five** days following month end.”

7. This item will now read as follows:

“The State will impose monetary sanctions/penalties for non-compliance of the specifications of work to be performed. These sanctions are defined in Attachment A. Upon infringement of contract terms, the State will issue the Contractor an electronic written request for contract compliance. Sanctions may be administered 72 hours after the written request for compliance is sent. Written requests for contract compliance must be responded to within 72 hours by the vendor. If non-compliance exists for more than 30 days, if in the best interest of the State, contract termination will be executed. Obligatory sanctions will be remitted to the Vermont Inmate Recreation Fund.”

Attachment C – Contract for Services Customary State Contract Provisions

5. Independence, Liability

This item will now read as follows:

“The Contractor will act in an independent capacity and not as officers or employees of the State. The Contractor shall indemnify, defend and hold harmless the State and its officers and employee from liability and any claims, suits, judgments, and damages arising as a result of the Contractor’s negligent acts and/or omissions in the performance of this contract. The Contractor shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any negligent act or omissions in the performance of this contract.”

Attachment D – Contract for Services Modification of Maximum Insurance Requirements

Type of Insurance Coverage

This item will now include:

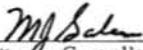
“Coverage may be procured by a combination of primary, excess, and umbrella policies.”

Attachment H – Inmate Telephone System Upgrade Time-Line

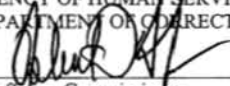
The revised Time Line is attached and revised as of 9/14/06.

The effective date of this amendment is September 8, 2006.

APPROVED AS TO FORM

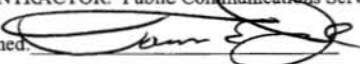


Attorney General's Office
Date: 10/9/06

STATE OF VERMONT
AGENCY OF HUMAN SERVICES
DEPARTMENT OF CORRECTIONS


Robert D. Hoffman, Commissioner
Date: 10/30/06

CONTRACTOR: Public Communications Services, Inc.

Signed: 

Tommie E. Joe
(please PRINT name)

Address: 11859 Wilshire Boulevard, Suite 600
Los Angeles, CA 90025


Date: 10/25/06

AMENDMENT

It is agreed by and between the State of Vermont, Department of Corrections (hereafter called "State") and Public Communication Services (PCS) of Los Angeles, CA (hereafter called "Contractor") that contract #10314 dated October 1, 2006 between said State and Contractor is hereby amended as follows:

To change Page 1, 4. Contract Term, from end on 09/30/2008 to end on 09/30/2009.

Additionally, it is hereby agreed and understood that this contract has no minimum amount. The Contractors' services will be required on an "as needed" basis.

To replace existing Attachment C with new Attachment C, revised May 23, 2008.

To replace existing Attachment F with new Attachment F, revised April 11, 2008.

To replace page 1, number 7 to read, "This contract may be cancelled by either party by giving written notice at least 180 days in advance."

To replace 1st sentence of 1.7.2.3.6 to read, "Match Inmate ID's and last name from import file to Inmate ID's available in the system."

To replace 1.7.2.3.10 to read, Batch Verification Reports – the system will generate a Batch Report listing each transaction posted, providing the inmate first and last names; inmate location, inmate account number; amount of each corresponding transaction; transaction date; Batch number; total transaction amount and transaction count.

To replace 2.12 Apparel and Clothing Catalogue Program to read, "It is the desire of the State to explore the inclusion of such a service within the duration of this contract period."

To replace 2.14 to read, Commissary orders will be placed using order forms supplied by the Contractor, until March 31, 2009. On April 1, 2009, inmates will place commissary orders by inmate telephone. Contractor and State will conduct monthly meetings to assess progress and should a mutual decision to postpone be made the effective date may change, otherwise a penalty of \$500.00 per day will be imposed and remitted to the Inmate Recreation Fund, for every day order-by-phone is not operable.

To replace the 3rd sentence of 3.14 to read, "Archived recording data is kept for a minimum of three years."

To replace Attachment A, 3.19.B last sentence to read, "If the parties fail to renegotiate the Contract and successfully agree upon provisions reasonably acceptable to Contractor within sixty days from the date that State first received Contractor's renegotiation notice, Contractor may at any time thereafter terminate the Contract upon one hundred eighty (180) days notice to State."

To replace Attachment B, 3. 1st sentence to read, "The Contractor agrees to pay the State 25% commission on commissary sales net of sales tax, excluding postage stamps and debit telephone purchases made through commissary."

To replace 1st sentence of Attachment B, 4. sentence #1 to read, "Contractor agrees to pay the State 35% commission on all debit, collect and pre-paid collect inmate telephone calls."

To replace Attachment B, 6. to read, Contractor shall submit all commissions via wire transfer. All back up documentation will be sent via E-mail to Sheila Ward at sheila.ward@ahs.state.vt.us or designee. All invoices and back-up to Agent listed below or designee:

Sheila Ward, Inmate Accounts/Commissary System Administrator

AHS/Department of Corrections
103 South Main Street
Waterbury, VT 05671
P 802.241.2382
F 802.241.2377

INMATE ACCOUNTING/COMMISSARY SERVICES -- ADDITIONAL ITEMS

The accounting software provider will run all Vermont DOC inmate accounting/commissary services on an SQL platform. The list will be developed into a scope of work that will be mutually created and agreed upon by all parties to move forward to include the following:

1. SQL server back-end will accommodate an unlimited number of users.
2. VT DOC will have ability to end existing session for all users concurrently
3. Connectivity will be accomplished through a standard VPN or VPN tunnel.
4. Printers will use standard SQL printing paths.
5. All processing will be handled through the server.
6. VT DOC will configure user access to individual menu items and fields.
7. Web Deposits will post to the inmate account within 24hours of purchase.

INMATE TELEPHONE SERVICES -- ADDITIONAL ITEMS

Phone ordering will provide inmates with the following information:

1. Inmate account balance
2. Inmate debit calling account balance

PCS will implement quarterly business reviews with any sub contractors and the Vermont Department of Corrections to review operations and functionalities.

Except as modified by this above amendment, and any and all previous amendments to this contract, all provisions of this contract #10314 dated 10/01/2006 shall remain unchanged and in full force and effect.

The effective date of this amendment is September 30, 2008.

APPROVED AS TO FORM

STATE OF VERMONT
AGENCY OF HUMAN SERVICES
DEPARTMENT OF CORRECTIONS


Robert D. Hoffmann, Commissioner

Date: 9/29/08

CONTRACTOR: Public Communication Services

Signed: 

Tommie E. Joe
(Please PRINT Signature)

Address: 11859 Wilshire Boulevard, Suite 600
Los Angeles, CA 90025
Date: 9/25/08

STATE OF VERMONT
ATTACHMENT C
CUSTOMARY STATE CONTRACT PROVISIONS

1. **Entire Agreement.** This contract represents the entire agreement between the parties on the subject matter. All prior agreements, representations, statements, negotiations, and understandings shall have no effect.
2. **Applicable Law.** This contract will be governed by the laws of the State of Vermont.
3. **Appropriations.** If this contract extends into more than one fiscal year of the State (July 1 to June 30), and if appropriations are insufficient to support this contract, the State may cancel at the end of the fiscal year, or otherwise upon the expiration of existing appropriations authority.
4. **No Employee Benefits for Contractors.** The contractor understands that the State will not provide any individual retirement benefits, group life insurance, group health and dental insurance, vacation or sick leave, workers' compensation or other benefits or services available to State employees, nor will the State withhold any state or federal taxes except as required under applicable tax laws, which shall be determined in advance of execution of the contract. The contractor understands that all tax returns required by the Internal Revenue Code and the State of Vermont, including but not limited to income, withholding, sales and use, and rooms and meals, must be filed by the contractor, and information as to contract income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
5. **Independence, Liability.** The contractor will act in an independent capacity and not as officers or employees of the State. The contractor shall defend the State and its officers and employees against all claims or suits arising in whole or in part from any act or omission of the contractor or of any agent of the contractor. The State shall notify the contractor in the event of any such claim or suit, and the contractor shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The contractor shall notify its insurance company and the State within 10 days of receiving any claim for damages, notice of claims, pre-claims, or service of judgments or claims, for any act or omissions in the performance of this contract.

After a final judgment or settlement the contractor may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The contractor shall be entitled to recoup costs only upon a showing that such costs were entirely unrelated to the defense of any claim arising from an act or omission of the contractor.

The contractor shall indemnify the State and its officers and employees in the event that the State, its officers or employees become legally obligated to pay any damages or losses arising from any act or omission of the contractor.

6. **Insurance.** Before commencing work on this contract the contractor must provide certificates of insurance to show that the following minimum coverage is in effect. The contractor must notify the State no more than 10 days after receiving cancellation notice of any required insurance policy. It is the responsibility of the contractor to maintain current certificates of insurance on file with the State through the term of the contract. Failure to maintain the required insurance shall constitute a material breach of this contract.

Workers' Compensation: With respect to all operations performed, the contractor shall carry workers' compensation insurance in accordance with the laws of the State of Vermont.

General Liability and Property Damage: With respect to all operations performed under the contract, the contractor shall carry general liability insurance having all major divisions of coverage including, but not limited to:

Premises - Operations
Products and Completed Operations
Personal Injury Liability
Contractual Liability

The policy shall be on an occurrence form and limits shall not be less than:

\$1,000,000 Per Occurrence
\$1,000,000 General Aggregate
\$1,000,000 Products/Completed Operations Aggregate
\$ 50,000 Fire/Legal Liability

Automotive Liability: The contractor shall carry automotive liability insurance covering all motor vehicles, including hired and non-owned coverage, used in connection with the contract. Limits of coverage shall not be less than: \$1,000,000 combined single limit.

Professional Liability: Before commencing work on this contract and throughout the term of this contract, the contractor shall procure and maintain professional liability insurance for any and all services performed under this contract, with minimum coverage of \$ N/A per occurrence, and \$ N/A aggregate.

No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the contractor for the contractor's operations. These are solely minimums that have been established to protect the interests of the State.

Contractor shall name the State of Vermont and its officers and employees as additional insured for liability arising out of this contract.

7. **Reliance by the State on Representations:** All payments by the State under this contract will be made in reliance upon the accuracy of all prior representations by the contractor, including but not limited to bills, invoices, progress reports and other proofs of work.
8. **Records Available for Audit.** The contractor will maintain all books, documents, payroll, papers, accounting records and other evidence pertaining to costs incurred under this agreement and make them available at reasonable times during the period of the contract and for three years thereafter for inspection by any authorized representatives of the State or Federal Government. If any litigation, claim, or audit is started before the expiration of the three year period, the records shall be retained until all litigation, claims or audit findings involving the records have been resolved. The State, by any authorized representative, shall have the right at all reasonable times to inspect or otherwise evaluate the work performed or being performed under this contract.
9. **Fair Employment Practices and Americans with Disabilities Act:** Contractor agrees to comply with the requirement of Title 21 V.S.A. Chapter 5, Subchapter 6, relating to fair employment practices, to the full extent applicable. Contractor shall also ensure, to the full extent required by the Americans with Disabilities Act of 1990, that qualified individuals with disabilities receive equitable access to the services, programs, and activities provided by the contractor under this contract. Contractor further agrees to include this provision in all subcontracts.
10. **Set Off:** The State may set off any sums which the contractor owes the State against any sums due the contractor under this contract; provided, however, that any set off of amounts due the State of Vermont as taxes shall be in accordance with the procedures more specifically provided hereinafter.
11. **Taxes Due to the State:**
 - a. Contractor understands and acknowledges responsibility, if applicable, for compliance with State tax laws, including income tax withholding for employees performing services within the State, payment of use tax on property used within the State, corporate and/or personal income tax on income earned within the State.
 - b. Contractor certifies under the pains and penalties of perjury that, as of the date the contract is signed, the contractor is in good standing with respect to, or in full compliance with, a plan to pay any and all taxes due the State of Vermont.

c. Contractor understands that final payment under this contract may be withheld if the Commissioner of Taxes determines that the contractor is not in good standing with respect to or in full compliance with a plan to pay any and all taxes due to the State of Vermont.

d. Contractor also understands the State may set off taxes (and related penalties, interest and fees) due to the State of Vermont, but only if the contractor has failed to make an appeal within the time allowed by law, or an appeal has been taken and finally determined and the contractor has no further legal recourse to contest the amounts due.

12. **Child Support.** (Applicable if the contractor is a natural person, not a corporation or partnership.) Contractor states that, as of the date the contract is signed, he/she:
- is not under any obligation to pay child support; or
 - is under such an obligation and is in good standing with respect to that obligation; or
 - has agreed to a payment plan with the Vermont Office of Child Support and is in full compliance with that plan.

Contractor makes this statement with regard to support owed to any and all children residing in Vermont. In addition, if the contractor is a resident of Vermont, contractor makes this statement with regard to support owed to any and all children residing in any other state or territory of the United States.

13. **Subcontractors.** Contractor shall not assign or subcontract the performance of this agreement or any portion thereof to any other contractor without the prior written approval of the State. Contractor also agrees to include in all subcontract agreements a tax certification in accordance with paragraph 11 above.

Notwithstanding the foregoing, the State agrees that the contractor may assign this contract, including all of the contractor's rights and obligations hereunder, to any successor in interest to the contractor arising out of the sale of or reorganization of the contractor.

14. **No Gifts or Gratuities.** Contractor shall not give title or possession of any thing of substantial value (including property, currency, travel and/or education programs) to any officer or employee of the State during the term of this contract.
15. **Copies.** All written reports prepared under this contract will be printed using both sides of the paper.
16. **Certification Regarding Debarment.** Contractor certifies under pains and penalties of perjury that, as of the date that this contract is signed, neither contractor nor contractor's principals (officers, directors, owners, or partners) are presently debarred, suspended, proposed for debarment, declared ineligible or excluded from participation in federal programs or programs supported in whole or in part by federal funds.

ATTACHMENT F

Agency of Human Services Customary Contract Provisions

1. **Agency of Human Services – Field Services Directors** will share oversight with the department (or field office) that is a party to the contract for provider performance using outcomes, processes, terms and conditions agreed to under this contract.
2. **2-1-1 Data Base:** The Contractor providing a health or human services within Vermont, or near the border that is readily accessible to residents of Vermont, will provide relevant descriptive information regarding its agency, programs and/or contact and will adhere to the "Inclusion/Exclusion" policy of Vermont's 2-1-1. If included, the Contractor will provide accurate and up to date information to their data base as needed. The "Inclusion/Exclusion" policy can be found at www.vermont211.org
3. **Medicaid Program Contractors:**

Inspection of Records: Any contracts accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid program must fulfill state and federal legal requirements to enable the Agency of Human Services (AHS), the United States Department of Health and Human Services (DHHS) and the Government Accounting Office (GAO) to:

 - Evaluate through inspection or other means the quality, appropriateness, and timeliness of services performed; and
 - Inspect and audit any financial records of such contractor or subcontractor.

Subcontracting for Medicaid Services: Having a subcontract does not terminate the contractor, receiving funds under Vermont's Medicaid program, from its responsibility to ensure that all activities under this agreement are carried out. Subcontracts must specify the activities and reporting responsibilities of the contractor or subcontractor and provide for revoking delegation or imposing other sanctions if the contractor or subcontractor's performance is inadequate. The contractor agrees to make available upon request to the Agency of Human Services; the Office of Vermont Health Access; the Department of Disabilities, Aging and Independent Living; and the Center for Medicare and Medicaid Services (CMS) all contracts and subcontracts between the contractor and service providers.

Medicaid Notification of Termination Requirements: Any contractor accessing payments for services under the Global Commitment to Health Waiver and Medicaid programs who terminates their practice will follow the Office of Vermont Health Access, Managed Care Organization enrollee notification requirements.

Encounter Data: Any contractor accessing payments for services through the Global Commitment to Health Waiver and Vermont Medicaid programs must provide encounter data to the Agency of Human Services and/or its departments and ensure that it can be linked to enrollee eligibility files maintained by the State.
4. **Non-discrimination Based on National Origin as evidenced by Limited English Proficiency.** The contractor agrees to comply with the non-discrimination requirements of Title VI of the Civil Rights Act of 1964, 42 USC Section 2000d, et seq., and with the federal guidelines promulgated pursuant to Executive Order 13166 of 2000, which require that contractors and subcontractors receiving federal funds must assure that persons with limited English proficiency can meaningfully access services. To the extent the contractor provides assistance to individuals with limited English proficiency through the use of oral or written translation or interpretive services in compliance with this requirement, such individuals cannot be required to pay for such services.
5. **Voter Registration.** When designated by the Secretary of State, the contractor agrees to become a voter registration agency as defined by 17 V.S.A. §2103 (41), and to comply with the requirements of state and federal law pertaining to such agencies.
6. **Drug Free Workplace Act.** The contractor will assure a drug-free workplace in accordance with 45 CFR Part 76.

7. **Privacy and Security Standards.**

Protected Health Information: The contractor shall maintain the privacy and security of all individually identifiable health information acquired by or provided to it as a part of the performance of this contract. The contractor shall follow federal and state law relating to privacy and security of individually identifiable health information as applicable, including the Health Insurance Portability and Accountability Act (HIPAA) and its federal regulations.

Substance Abuse Treatment Information: The confidentiality of any alcohol and drug abuse treatment information acquired by or provided to the contractor or subcontractor shall be maintained in compliance with any applicable state or federal laws or regulations and specifically set out in 42 CFR Part 2.

Other Confidential Consumer Information: The contractor agrees to comply with the requirements of AHS Rule No. 96-23 concerning access to information. The contractor agrees to comply with any applicable Vermont State Statute, including but not limited to 12 VSA §1612 and any applicable Board of Health confidentiality regulations. The contractor shall ensure that all of its employees and subcontractors performing services under this agreement understand the sensitive nature of the information that they may have access to and sign an affirmation of understanding regarding the information's confidential and non-public nature.

Social Security numbers: The contractor agrees to comply with all applicable Vermont State Statutes to assure protection and security of personal information, including protection from identity theft as outlined in Title 9, Vermont Statutes Annotated, Ch. 62.

8. **Abuse Registry.** The contractor agrees not to employ any individual, use any volunteer, or otherwise provide reimbursement to any individual who provides care, custody, treatment, services, or supervision to children or vulnerable adults if there is a substantiation of abuse or neglect or exploitation against that individual. The contractor will check the Adult Abuse Registry in the Department of Disabilities, Aging and Independent Living. Unless the contractor holds a valid child care license or registration from the Division of Child Development, Department for Children and Families, the contractor shall also check the Central Child Abuse Registry. (See 33 V.S.A. §4919 & 33 V.S.A. §6911).
9. **Child Abuse Reporting.** Notwithstanding the provision of 33 V.S.A. §4913(a) any agent or employee of the contractor who has reasonable cause to believe that a child has been abused or neglected as defined in Chapter 49 of Title 33 V.S.A. shall report the suspected abuse or neglect to the Commissioner of the Department for Children and Families within 24 hours. The report shall contain the information required by 33 V.S.A. §4914.
10. **Work Product Ownership.** All data, technical information, materials gathered, originated, developed, prepared, or obtained as a condition of this agreement and used in the performance of this agreement - including, but not limited to all reports, surveys, plans, charts, literature, brochures, mailings, recordings (video or audio), pictures, drawings, analyses, graphic representations, software computer programs and accompanying documentation and printouts, notes and memoranda, written procedures and documents, which are prepared for or obtained specifically for this agreement - or are a result of the services required under this contract - shall be, and remain, the property of the State of Vermont, regardless of the state of completion. Such items shall be delivered to the State of Vermont upon 30 days notice by the State. With respect to software computer programs and / or source codes developed for the State, the work shall be considered "work for hire," i.e., the State, not the contractor or subcontractor, shall have full and complete ownership of all software computer programs and/or source codes developed.

11. **Security and Data Transfers.** The State shall work with the Contractor to ensure compliance with all applicable State and Agency of Human Services' policies and standards, especially those related to privacy and security. The State will advise the Contractor of any new policies, procedures, or protocols developed during the term of this agreement as they are issued and will work with the Contractor to implement any required.

The Contractor will ensure the physical and data security associated with computer equipment - including desktops, notebooks, and other portable devices - used in connection with this agreement. The Contractor will also assure that any media or mechanism used to store or transfer data to or from the State includes industry standard security mechanisms such as continually up-to-date malware protection and encryption. The Contractor will make every reasonable effort to ensure media or data files transferred to the State are virus and spyware free. At the conclusion of this agreement and after successful delivery of the data to the State, the Contractor shall securely delete data (including archival backups) from the Contractor's equipment that contains individually identifiable records, in accordance with standards adopted by the Agency of Human Services.

12. **Intellectual Property Ownership.** All work products and items delivered or produced under this agreement will be the exclusive property of the State of Vermont. This includes, but is not limited to, software, documentation, and development materials. The contractor shall not sell or copyright a work product or item produced under this contract without explicit permission from the State. If the Contractor is operating a system or application on behalf of the State of Vermont then the contractor shall not make information entered into the system or application available for uses by any other party than the State of Vermont, without prior authorization by the State.

13. **Lobbying.** No federal funds under this agreement may be used to influence or attempt to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the awarding of any federal contract, continuation, renewal, amendments other than federal appropriated funds.

14. **Non-discrimination.** The contractor will prohibit discrimination on the basis of age under the Age Discrimination Act of 1975, on the basis of handicap under section 504 of the Rehabilitation Act of 1973, on the basis of sex under Title IX of the Education Amendments of 1972, or on the basis of race, color or national origin under Title VI of the Civil Rights Act of 1964. No person shall on the grounds of sex (including, in the case of a woman, on the grounds that the woman is pregnant) or on the grounds of religion, be excluded from participation in, be denied the benefits of, or be subjected to discrimination, to include sexual harassment, under any program or activity supported by state and/or federal funds.

15. **Environmental Tobacco Smoke.** Public Law 103-227, also known as the Pro-children Act of 1994 (Act), requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted for by an entity and used routinely or regularly for the provision of health, child care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such Federal funds.

The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, & Children (WIC) coupons are redeemed.

Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity.

Contractors are prohibited from promoting the use of tobacco products for all clients. Facilities supported by state and federal funds are prohibited from making tobacco products available to minors.

**AGENCY OF HUMAN SERVICES
103 South Main Street
Waterbury, Vermont 05676**

AFFIRMATION OF UNDERSTANDING STATEMENT

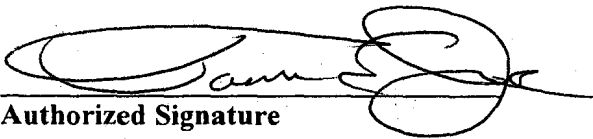
As a Contractor for the State of Vermont, I affirm that I have read the Agency of Human Services (AHS) Rule No. 96-23 concerning Access to Information, and that I agree to comply with the requirements of AHS Rule No. 96-23.

I shall require all of my employees performing services under this contract, to sign an affirmation of understanding statement. Employee statements need not be sent to the State. However, they shall remain in Contractor's personnel records. The State can request copies of such documents if necessary.

Public Communication Services

Name of Company (Print or type)

Date



Authorized Signature

Title