

STATE OF VERMONT
CONTRACT FOR SERVICES

Contract #18252

1. **Parties.** This is a contract for personal services between Department of Corrections (hereafter called "State"), and Public Communications Services, Inc. (PCS), with a principal place of business in Los Angeles, California (hereafter called "Contractor"). Contractor's form of business organization is a corporation. The Contractor local address is 11859 Wilshire Blvd., Ste 600, Los Angeles, CA 90025. It is the Contractor's responsibility to contact the Vermont Department of Taxes to determine if, by law, the Contractor is requested to have a Vermont Department of Taxes Business Account Number.
2. **Subject Matter.** The subject matter of this contract is personal services generally on the subject of management. Detailed services to be provided by the Contractor are described in Attachment A.
3. **Maximum Amount.** 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, a sum not to exceed \$0.
4. **Contract Term.** The period of Contractor's performance shall begin on 10/01/2010 and end on 09/30/2012.
5. **Prior Approvals.** If approval by the Attorney General's Office or the Secretary of Administration is required, (under current law, bulletins, and interpretations), neither this contract nor any amendment to it is binding until it has been approved by either or both such persons.

Approval by the Attorney General's Office is required.

Approval by the Secretary of Administration is or is not required.

6. **Amendment.** No changes, modifications, or amendments in the terms and conditions of this contract shall be effective unless reduced to writing, numbered and signed by the duly authorized representative of the State and Contractor.
7. **Cancellation.** This contract may be cancelled by either party by giving written notice at least 180 days in advance.
8. **Attachments.** This contract consists of 45 pages including the following attachments, which are incorporated herein:
 - Attachment A – Specifications of Work to be Performed
 - Attachment B – "Payment Provisions"
 - Attachment C – "Customary State Contract provisions"
 - Attachment E – "Business Associate Agreement"
 - Attachment F – "AHS Customary Contract Provisions"
 - Attachment G
 - Attachment H

STATE OF VERMONT
CONTRACT FOR SERVICES

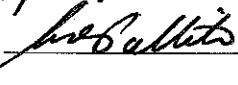
The order of precedence of documents shall be as follows:

- 1). This document
- 2). Attachment D
- 3). Attachment C
- 4). Attachment A
- 5). Attachment B
- 6). Attachment E
- 7). Attachment F
- 8). Other Attachments

WE THE UNDERSIGNED PARTIES AGREE TO BE BOUND BY THIS CONTRACT.

BY THE STATE OF VERMONT:

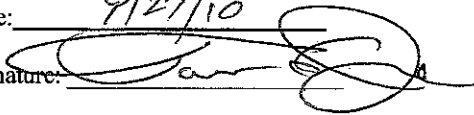
Date: 9/30/10

Signature: 

Name: Andrew Pallito, Commissioner

Agency/Dept.:
Agency of Human Services
Department of Corrections

BY THE CONTRACTOR:

Date: 9/27/10
Signature: 

Name: Tommie E. Joe

Title: President & Chief Operating Officer

Address: 11859 Wilshire Blvd., Ste 600,
Los Angeles, CA 90025

Phone: 800-350-1000 ext. 3037

E-mail: tommie.joe@teampcs.com
Alternative Contact: (if any)

Revised AHS 7/21/08

**STATE OF VERMONT
CONTRACT FOR SERVICES**

**ATTACHMENT A
SPECIFICATIONS OF WORK TO BE PERFORMED**

The State acknowledges Contractor is subcontracting for the inmate commissary services as well as the inmate accounting system and support services to Keefe Commissary Network. However, the Contractor so named in this contract is ultimately responsible for satisfying, in full, the scope of services and performance expectations as defined within this contract. Any change in subcontractors must receive prior approval by the State.

Contractor shall designate a project manager, whom shall be approved by the State, as the sole point of contact for all implementation and deployment activities. Contractor project manager will be responsible for developing and maintaining the project plan according to accepted best practices project management methodology. Contractor project manager shall collaborate with a State-designated project manager on all project-related issues including development, review, approval, and change management of the project plan. Contractor project manager shall provide the State project manager with at least weekly status reports, as well as immediate notification of any critical issues as they arise.

Contractor agrees the workstations and associated infrastructure shall become the property of the State at the expiration, cancellation or termination of this contract. All records, documentation, reports, data, etc. obtained through the course of satisfying the terms of this contract are the exclusive property of the State and shall be provided on demand in a mutually agreed upon format at no cost to the State.

Contractor will provide the following services for the State:

1. SCOPE OF WORK – INMATE TELEPHONE SERVICES (ITS)

1.1 Contractor Responsibilities – General

- 1.1.1 Contractor shall comply with all applicable laws, rules, regulations, and orders of any authorized agency, commission, unit of the federal, state, county or municipal government at no cost to the State. Contractor shall be authorized by the appropriate governing body and/or regulatory agency to provide the sought after services and systems. The ITS shall comply with all Federal Communication and/or Utility Commissions regulations.
- 1.1.2 Contractor must provide the Vermont Public Service Board a list of rates for approval.
- 1.1.3 Contractor shall furnish evidence of the ownership of the software and/or the ability of the firm to license use of the software to the VT DOC.
- 1.1.4 Contractor is responsible for providing complete telephone services at all Vermont Correctional Facilities. Inmate telephone services include: collect calling, pre-paid collect calling and cardless debit calling.
- 1.1.5 The State reserves the right to approve all system administration personnel who have access to the system and to conduct background investigations of all assigned system administration contractor employees.
- 1.1.6 Call charges and rates are as noted below – the listed rates are exclusionary of local, state and federal taxes:

Collect Calling Information			
Collect Call Rates			
Collect Call Rates	Call Type	Operator Charge	Per Minute
	Local Call	\$1.25	\$0.07
	IntraState (In-state Long Distance)	\$1.25	\$0.15
	InterState (Out-of-state Long Distance)	\$1.25	\$0.15
	International	N/A	N/A

Pre-Paid Collect Calling Information			
Collect Call Rates			
Pre-Paid Collect Call Rates	Call Type	Operator Charge	Per Minute
	Local Call	\$1.00	\$0.06
	IntraState (In-state Long Distance)	\$1.00	\$0.10
	InterState (Out-of-state Long Distance)	\$1.00	\$0.10
	International	\$3.00	\$0.50

Debit Calling Information			
Debit Call Rates			
Debit Call Rates	Call Type	Operator Charge	Per Minute
	Local Call	\$0.25	\$0.05
	IntraState (In-state Long Distance)	\$0.50	\$0.10
	InterState (Out-of-state Long Distance)	\$0.50	\$0.10
	International	\$1.00	\$0.50

1.2 Contractor Responsibilities – Equipment and Software

- 1.2.1 Contractor shall provide a complete turnkey solution including all equipment, software, and infrastructure necessary for the ITS. These services include but are not limited to telephone sets, wiring, connectors, jacks, security and monitoring systems.
- 1.2.2 Contractor is responsible for all equipment, software, and infrastructure including Contractor network and Internet connectivity in the ITS in its entirety or its individual components including, but not limited to normal wear/use, inmate abuse, natural disaster or inmate unrest. System and/or component replacement(s) will be performed at no cost to the State and will occur immediately upon notification to the Contractor of the system problem by the Facility or State designee.
- 1.2.3 Contractor shall provide Basic Cellular Detection hardware and Contractor's Cellular Data Management application at no cost to the State.

1.3 Contractor Responsibilities – Initial and Ongoing Installations and Deployment

- 1.3.1 Contractor shall upgrade all State facilities from the current Inmate Call Manager (ICM) solution to the ICM V platform in accordance with the Project Plan and Timeline included as Attachment H.
- 1.3.2 The State shall be responsible only for making the space for the telephones available to the Contractor. The State shall not be obliged to make any improvements to the space provided for the telephones and the Contractor equipment.

- 1.3.3 Contractor shall submit plans for any updates and/or upgrades to the State project manager for prior written approval which approval shall not be unreasonably withheld or delayed.
- 1.3.4 Contractor agrees to install and maintain the quantity of telephones required by the State as provided for in this contract. All telephone/computer wiring that could affect State infrastructure must be approved by the State of Vermont Department of Innovation and Information in advance.
- 1.3.5 Contractor shall install any additional telephones, and monitoring and recording equipment at no cost to the State as reasonably requested. This includes expansion of any existing facility or newly constructed facility throughout the state. Any new facilities will be added to the contract through an amendment and will be afforded the same terms and conditions.
- 1.3.6 Contractor shall provide and install adequate surge and lightning protection equipment on all lines used for the ITS. Uninterruptable Power Supply (UPS) units must be adequate for the size of each facility and robust enough to sustain system functionality for a minimum of 30 minutes in the event of a power outage. Adequacy must be documented based on UPS manufacturer's recommendations. The Contractor must provide, install and maintain (according to manufacturer's specifications) all ITS UPS equipment at each of the facilities. The Contractor must replace all UPS equipment upon expiration of the manufacturer's life cycle of the installed product. The use of traditional "power strips" for surge protection is not acceptable.
- 1.3.7 Contractor is responsible for clean up and removal of all debris and packaging material resulting from work performed at no cost to the State.
- 1.3.8 Contractor shall restore to original condition, at no cost to the State, any State property damaged during maintenance, installation or removal by personnel associated with the Contractor, including repairs to walls, ceilings, etc.
- 1.3.9 Contractor shall provide the State with a list of telephone numbers, serial numbers, and locations of each unit.

1.4 Station Equipment Specifications

- 1.4.1 Contractor shall subscribe to the Line Information Data Base (LIDB) for validation purposes. The Contractor shall query this database for each inmate call and process only those calls which do not have Billed Number Screening (BNS) or Billed to Numbers (BTN). The Contractor must assume all responsibility for the cost of the validation.
- 1.4.2 Contractor shall provide sturdy, non-coin, vandal resistant and steel armored composed of durable, tamper-free equipment suitable for a detention environment. The equipment must contain no removable parts.
- 1.4.3 Contractor shall provide a sufficient number of telephone lines to the ITS to prevent inmates from receiving busy signals more than 0.5% of the time. Contractor will provide monthly reports to the State contract manager proving compliance in this area.
- 1.4.4 Contractor shall provide accommodations necessary to comply with Americans with Disabilities Act (ADA) requirements, including but not limited to providing telephones which are accessible to persons in wheelchairs, persons that are deaf, persons with physical impediments and persons who are blind. Systems provided must be compatible with Telephone Devices for the Deaf (TDD), voice activated and/or Brail.
- 1.4.5 During the call set up process, the ITS shall provide a pre-recorded announcement identifying the call is coming from a specific inmate and from a Correctional Facility. Called parties, when receiving a collect or pre-paid collect call, shall have the option to receive a rate quote during the call set-up process.
- 1.4.6 The ITS shall process calls on a selective linguistic basis: English and Spanish. Contractor will provide additional languages at the request of the State within 30 days at no cost to the State.
- 1.4.7 The ITS shall provide a recording back to the inmate detailing why a call was not completed.
- 1.4.8 Contractor shall ensure called parties with rotary phones must positively accept any call placed via the ITS. The State does not wish to utilize passive acceptance in any case.

1.5 Reporting Requirements

- 1.5.1 Contractor shall provide reporting and querying methods and capabilities to designated State personnel which provide maximum flexibility, interface with commissary/inmate accounting system provider and speed.
- 1.5.2 Contractor shall work with State project manager to ensure all necessary reporting capabilities are in place for both security and financial/administrative staff. Contractor shall assist designated State personnel in customizing reports and query methods as requested.
- 1.5.3 Contractor shall supply monthly revenue reports by individual facility and call type.

1.6 Data Storage

- 1.6.1 Contractor shall maintain off-site storage of call detail records in a minimum of three (3) locations to avoid any possibility of call detail records being lost. Call Detail Records are created and stored in the primary data center and immediately replicated to the secondary and tertiary back-up data centers.
- 1.6.2 Contractor shall store all call detail records, including attempted and completed calls for the full term of the contract plus three (3) years.
- 1.6.3 Contractor shall provide access to designated State personnel to access call detail records from workstation(s) or remote computers. The workstation(s) shall provide the capability to copy the Call Detail Records onto a Compact Disc (CD)/DVD.

1.7 Security Features

- 1.7.1 Contractor shall ensure the integrity of the ICM system at all times, allowing only designated State personnel access to the system based on assigned security levels determined by the State.
- 1.7.2 Contractor shall provide an "informant" line. Calls to the "informant" line shall be free and shall be routed via the ITS to a destination designated by the State. If so requested by the State, the destination for the "informant" line may be an automated voicemail box.
- 1.7.3 The ITS shall display Contractor's toll-free customer service line on the called party's calling number identification (caller ID) system.
- 1.7.4 The ITS shall prohibit direct-dialed calls of any type, access to "411" information service, access to "911", access to any toll-free and/or pay per service lines as well as access to multiple long distance carriers via 950, 800, 10 10-XXX numbers, etc.
- 1.7.5 The ITS shall prevent inmates from circumventing the telephone systems, i.e. using the "con" line.
- 1.7.6 The ITS must be able to be shutdown quickly and selectively. The State must be able to shutdown the ITS by cut-off switches at several locations including, but not limited to:
 - At demarcation location - total Facility telephones
 - By central control center - select telephones
 - By select housing units - control center
- 1.7.7 Contractor ensures no inmate telephone shall be capable of receiving an incoming call.
- 1.7.8 The ITS, upon detection of a three way call (call forwarding and conference calls, etc.), shall have the capability to terminate the call immediately. The ITS will play a message, approved by the State, to the inmate or called party prior to terminating the call.
- 1.7.9 The ITS will prevent both the inmate and the called party from speaking/hearing one another until positive acceptance has been completed. Only once positive acceptance has been completed may billing begin.
- 1.7.10 The ITS shall be capable of limiting the length of a call, providing the dial tone at certain times of the day and allowing a maximum number of minutes per inmate, per month.

1.7.11 Contractor will provide the State with Reverse Lookup as well as Keyword Search at no cost to the State.

1.8 Personal Identification Number (PIN) Application – PCS does not yet have voice recognition/voice print

1.8.1 Contractor will implement a system of Personal Identification Numbers (PIN) for each inmate to use in making telephone calls and utilizing the ITS. Upon assigning PIN to an inmate, contractor shall have a written agreement, requiring the inmate to sign, notifying him/her that all telephone calls via the ITS will be recorded and monitored.

1.8.2 Upon initialization of the first outgoing telephone call by each inmate, the ITS shall make sample voiceprints of their name. The ITS shall make a recording of the voiceprint that will later be used to initiate all future calls by the inmate.

1.8.2 Contractor shall provide the State with the ability to use the voice recognition technology to obtain forensic intelligence as part of internal and criminal investigatory matters no later than October 1, 2011.

1.8.3 The ITS shall be capable of restricting use of the ITS by individual PIN, by unit, by facility, and blocking outgoing calls to specified telephone numbers.

1.9 Fraud Management

1.9.1 The ITS shall detect the difference between an accepted call, answering machine, busy signal or other telephone activity and only allow positive accepted calls to be processed. All other types shall result in the inmate hearing a voice prompt explaining why the call was not completed.

1.9.2 The ITS shall allow call blocking of specific numbers by inmate PIN, telephones or group of telephones.

1.9.3 The ITS shall have the capability to assign pre-approved calling numbers (PAN) according to inmate PIN.

1.9.4 The ITS shall provide the called party the ability to block all future calls from a State facility.

1.10 Call Monitoring & Recording

1.10.1 Contractor shall store all call recordings and ensure instant availability online (via ICM) for a minimum of 45 days.

1.10.2 The ITS shall be able to simultaneously listen to and record inmate telephone conversations.

1.10.3 Contractor shall provide signage on each inmate telephone stating calls will be monitored and recorded.

1.11 Training

1.11.1 Contractor shall provide training to State staff at each location sufficient to enable successful use of the ITS/ICM. Additional training shall be provided as requested throughout the life of this contract at no cost to the State.

1.11.2 Contractor shall provide training documentation, both hard copy (2 manuals for each facility and Central Office) and electronically, to the State at no cost to the State. All manuals shall become property of the State.

1.11.3 Contractor shall provide informational pamphlets for inmates' relatives to the applicable features and functionalities of the ITS, when requested by the State and at no cost to the State.



1.12 General Maintenance

- 1.12.1 Contractor shall provide the necessary labor, parts, materials, and transportation to maintain all inmate telephones in good working order and in compliance with the equipment manufacturer's specifications at no cost to the State.
- 1.12.2 The ITS shall provide for continuous on-line diagnostics and supervision, as well as local remote offline system control access for advanced programming and diagnostics. Access to the built-in advanced diagnostics and program control shall be accessible via modem by service center personnel and shall provide failure reports, service history and other diagnostics.
- 1.12.3 Contractor shall provide the State with customer service, including repairs and maintenance, as outlined in the Service Level Agreement detailed in Attachment G. Contractor shall provide monthly reports on the ticketing system to the State contract manager.
- 1.12.4 Contractor shall provide the State with a complete list of business, cellular and pager numbers for its contractors/subcontractors, managers, administrators, technicians etc.
- 1.12.5 Contractor shall provide the State with a full-time administrator to manage the ITS, train, support and assist facility end-users with software system and telephone problems. Managing the ITS includes, but is not limited to, activating accounts manually when automation fails; setting up call blocks; setting up PAN lists; assigning, recording and maintaining inmate PIN numbers; responding to requests and complaints from both the community and inmate population; arranging for repair of onsite equipment as necessary; monitoring calls to alert staff of a security breach; and reporting three-way call attempts. In addition, the on-site administrator shall manage all external legal requests for copies of inmate telephone recordings and testify as to chain of custody.
- 1.12.6 Contractor shall conduct monthly "walk throughs" of all State facilities to physically inspect inmate telephones and other Contractor equipment. These monthly visits must be scheduled one month in advance with State facility security staff to provide ample time for security staff scheduling.

1.13 Transition Plan

- 1.13.1 Contractor agrees to remove its equipment at the conclusion of the contract in a manner that will allow the reuse of that wire distribution to the extent practicable.
- 1.13.2 Contractor agrees the workstations and associated infrastructure shall become the property of the State at the expiration, cancellation or termination of this contract. All call records, documentation, reports, data, etc. that are contained in the inmate telephone system are exclusive property of the State and shall be provided on demand in a mutually agreed upon format at no cost to the State.
- 1.13.3 Contractor shall discontinue providing service or accepting new assignments under the terms of the contract, on a date specified by the State. Contractor agrees to continue providing all services in accordance with the terms and conditions, requirements and specifications of the contract for a period not to exceed ninety (90) calendar days after the expiration, termination or cancellation date on the same terms and conditions set forth in this contract.
- 1.13.4 Commissions will be due and payable by the Contractor to the State at the compensation rate provided in the contract until collect, debit and/or pre-paid calls are no longer handled by the Contractor. (Not to exceed ninety (90) days.)

2. SCOPE OF WORK – INMATE ACCOUNTING SYSTEM AND COMMISSARY SERVICES

2.1 General Objectives

- 2.1.1 Contractor shall provide State with an automated inmate accounting solution that meets all business requirements and addresses the accounting needs of the State. Contractor shall support their own software. Technical support must be provided 24/7/365 by Contractor.
- 2.1.2 Contractor shall provide, support and maintain any software, hardware, interfaces, and communications infrastructure required to operate the inmate account solution. Contractor shall provide their own Internet connectivity, e-mail, and account management.
- 2.1.3 Contractor shall deliver high quality commissary services to the inmates of the State. Contractor shall provide weekly delivery to each of the State facilities per an agreed upon schedule.
- 2.1.4 Contractor shall maintain a market price philosophy with regard to the retail selling price of the commissary items (no price shall be higher than what a local convenience store charges for the same/similar item). Contractor shall maintain per unit costs for commissary items previously available to State inmates for a minimum of one year. All price changes must be pre-approved by the State.
- 2.1.5 Contractor recognizes simultaneous use by multiple users throughout the State is a necessity. The solution shall have the ability to designate security/access/utilization levels to individual end-users.

2.2 Specific Requirements

- 2.2.1 Contractor shall provide an automated inmate accounting solution capable of being audited by the State or other State authorized auditing facilities. The solution must be approved by the VT DOC and Agency of Human Services. Contractor shall own, support and maintain, with its own employees, all aspects of the solution, including all contractor supplied hardware, software, firmware, and communications/networking infrastructure. Contractor shall provide the State with a royalty free license to use the solution in the provision of commissary services.
- 2.2.2 The solution must support a general ledger function, allow for a trial balance to be run at any time, contain the ability to: set up annual fiscal maintenance and run ledger reports on any accounts or sub accounts contained within the general ledger.
- 2.2.3 The solution shall interface with the State's jail management system (PAS/Tiny Term) at a frequency no less than every 15 minutes. There shall be no cost to the State for said interface. Establishment of inmate accounts shall be automated via the aforementioned interface. The solution shall allow for manual inmate account creation should the need arise.
- 2.2.4 The solution shall contain all State required functionalities and reports. Contractor shall create required reports not included in the standard installation within two weeks of receiving the State's specific request.
- 2.2.5 The solution shall provide for an accurate, cashless accounting of all inmate monies, expenses and purchases.
- 2.2.6 Contractor shall install the solution, provide ongoing support and maintenance and a toll free 24 hour emergency line to minimize down time. Contractor shall have staff a minimum of six hours travel time to any State facility. Contractor shall provide necessary solution hardware and will maintain same.
- 2.2.7 Contractor shall provide the State with all records pertaining to inmate accounts and commissary records at the conclusion of this contract in electronic format and media specified by the State.
- 2.2.8 Contractor shall provide a transition plan to convert existing and historical data housed in current system to data within the new system.
- 2.2.9 Contractor shall provide, at no cost the State, a debit card release program allowing State staff to provide inmates with a debit card bearing the balance of their commissary account versus cutting a physical check. Contractor shall supply all necessary materials and components as well as fully support and maintain said program.
- 2.2.10 Contractor shall adhere to specified project timeline in accordance with Attachment I.

2.3 Inmate Commissary Service

2.3.1 Contractor and the State contract administrator shall mutually agree upon items to be sold through the commissary program. No new items will be offered without the written permission of the State contract administrator. Contractor will advise the State contract administrator of new products as they become available. Contractor shall provide samples of products, upon request, to the State for review pursuant to security related concerns prior to inclusion onto the commissary menu.

2.3.2 Contractor will provide State inmates with the ability to order commissary and debit telephone time via Telephone Ordering. Contractor shall employ alternative ordering mechanisms should Telephone Ordering not be available for reasons within the State's control.

2.3.3 All commissary orders will be combined, prepackaged, sorted by housing area and shipped within 24 hours of agreed upon delivery schedule.

- Food items shall be packaged and dated for individual consumption
- All containers shall be made of non-breakable materials
- No products shall contain alcohol
- Inmates in general population shall be allowed to order commissary with a maximum purchase of \$85/week
- Inventory levels shall be maintained to ensure an order fill rate of at least 98%
- Substitutions or backorders are not allowed
- A method of restocking on returned orders must be available
- All items sold must be jail appropriate
- Commissary orders will be sent in clear, tamper proof, heat sealed plastic bags for the primary purpose of security and accountability. A two part NCR receipt shall be sealed within the bag (inmate name, location, ID number, items ordered, total of order and 2 signature lines)
- Net sales will be defined as gross sales less sales of stamps, stamped envelopes, debit telephone time and sales tax
- All possible product containers shall be "clear-view", e.g. bottles, toothpaste, etc.

2.3.4 The State shall consult with Contractor regarding approved inmate items not listed on the commissary menu. The State's desire is to have Contractor be the sole provider of all inmate orders with heavy consideration given to pricing. Should Contractor not readily stock/sell State approved items, i.e. extra-extra large clothing, specific religious observance materials, shoe varieties, etc., Contractor shall make every effort to find such products and add them to the commissary menu. Contractor and State shall mutually agree upon commissionable and non-commissionable status of added items.

2.3.5 Contractor shall provide commissary menus, as requested, noting product number, product name, product size and product cost. A master menu indicating, in addition to the above, whether or not the item is commissionable will be provided to the State contract administrator.

2.3.6 Contractor shall adhere to specified project timeline in accordance with Attachment I.

2.4 Automated Self Service Options

2.4.1 Contractor shall provide a single website for the public to purchase commissary items and debit telephone time on behalf of inmates, as well as deposit funds directly into an inmate's commissary account.

2.4.2 Contractor shall combine web product orders and inmate orders as not to exceed weekly inmate spending limits set by the State.

2.4.3 Contractor shall supply designated State staff with access to view web orders placed by family/friends for State inmates.

2.4.4 Contractor shall provide a toll-free phone number for the public to deposit funds directly into an inmate's account.

2.4.5 Contractor shall install, configure and test lobby kiosks in three State facilities should the State request same. Said kiosks will provide an on-site ability for visitors to deposit funds directly into any State inmate's commissary account utilizing either cash or a credit/debit card. Contractor will fully support and maintain all components of

the kiosks and their operations to include a daily ACH to the Inmate Trust Fund bank account. Contractor shall be responsible for any and all costs associated with said kiosks and their activities.

- 2.4.6 Contractor shall assess the public utilizing the deposit functionalities noted in 2.4.1, 2.4.4 and 2.4.5 above, fees based on the fee schedule directly below. The State shall approve any changes to said fee schedule prior to implementation.

STANDARD FEE STRUCTURE				
Gross Amount Deposited	Web	Phone	Kiosk Credit	Kiosk Cash
\$0.01 - \$20.00	\$2.95	\$3.95	\$2.95	\$3.00
\$20.01 - \$40.00	\$4.50	\$5.50	\$4.50	\$3.00
\$40.01 - \$60.00	\$5.50	\$6.50	\$5.50	\$3.00
\$60.01 - \$80.00	\$6.25	\$7.25	\$6.25	\$3.00
\$80.01 - \$90.00	\$6.75	\$7.75	\$6.75	\$3.00
\$90.01 - \$100.00	\$9.75	\$10.75	\$9.75	\$3.00
\$100.01 - \$120.00	\$10.25	\$11.25	\$10.25	\$3.00
\$120.01 - \$140.00	\$10.75	\$11.75	\$10.75	\$3.00
\$140.01 - \$160.00	\$11.25	\$12.25	\$11.25	\$3.00
\$161.00 - \$180.00	\$11.75	\$12.75	\$11.75	\$3.00
\$180.01 - \$200.00	\$12.25	\$13.25	\$12.25	\$3.00
\$200.01 - \$220.00	\$12.75	\$13.75	\$12.75	\$3.00
\$220.01 - \$240.00	\$13.25	\$14.25	\$13.25	\$3.00
\$240.01 - \$260.00	\$13.75	\$14.75	\$13.75	\$3.00
\$260.01 - \$280.00	\$14.25	\$15.25	\$14.25	\$3.00
\$280.01 - \$300.00	\$14.75	\$15.75	\$14.75	\$3.00

- 2.4.7 Contractor shall accommodate Post Office Box addresses for the public utilizing webservices, telephone services and/or kiosk services to purchase items, debit telephone time and/or make deposits into inmates' accounts, at no extra cost to the purchaser.

**ATTACHMENT B
CONTRACT FOR SERVICES
PAYMENT PROVISIONS**

The State shall incur zero (0) costs in the implementation and execution of this contract throughout the length of the contract. This contract is to provide State inmates with an inmate telephone, commissary and accounting system while generating revenue (i.e. commissions) to sustain the State's Inmate Recreation Program/Fund while keeping costs to inmates and their friends/families at a minimum.

All invoices outlined below will be paid directly from the Inmate Trust Fund bank account. At no time shall State funds be encumbered or expended in relation to the services outlined in Attachment A.

1. Contractor Payments

- 1.1 Commissary – Contractor shall invoice the State on a monthly basis. Invoices shall be itemized by week and facility and shall outline stamp, stamped envelope and debit purchases for audit/reconciliation purposes as well as commission calculations.
- 1.2 Telephone – Contractor shall invoice the State on a monthly basis for inmate debit telephone time. Invoices shall reflect actual inmate debit time usage versus purchase. Invoices shall provide daily debit call detail to include number of calls, minutes at a minimum.

2. Commission

- 2.1 Contractor shall pay to the State a 37% commission on all debit, collect and pre-paid collect inmate telephone calls. Commissions will be remitted to the State no later than 45 days following month end.
- 2.2 Contractor shall pay to the State a 31% commission on all commissary sales net of sales tax, excluding postage stamps, stamped envelopes and debit telephone time purchases. Commissions will be remitted to the State no later than 15 days following month end.
- 2.3 Contractor shall submit all commission payments to the State via ACH or wire transfer.
- 2.4 Contractor shall provide the State with back-up documentation supporting commission calculations for auditing purposes.
- 2.5 Contractor agrees to a bi-annual commission/price point review with an eye toward reducing service/product rates/prices as well as commission rates.

3. Performance Measures

- 3.1 Refer to Attachment A – Section 1. Inmate Telephone Services, Subsection 3. Contractor Responsibilities, 1.3.1 “Contractor shall upgrade all State facilities from the current Inmate Call Manager (ICM) solution to the ICM V platform in accordance with the Project Plan and Timeline included as Attachment H. “

Should Contractor fail to meet documented timelines a \$500 per day fine shall be payable to the State unless written approval for an extension is received by the State contract manager.

- 3.2 Statewide telephone downtime greater than .5% per month may result in a disincentive equal to \$100 per total hours of downtime payable to the State. Should there be zero (0) downtime statewide for a complete quarter (Jan – Mar, Apr – Jun, Jul – Sept, Oct – Dec), Contractor may reduce one commission payment to the State by \$100.
- 3.3 Refer to Attachment A – Section 1. Inmate Telephone Services, Subsection 12. General Maintenance, 1.12.3 – “Contractor shall provide the State with customer service, including repairs and maintenance, as outlined in the Service Level Agreement detailed in Attachment G. Contractor shall provide monthly reports on the ticketing system to the State contract manager.”

Any instance, within Contractor's control, of non-compliance with the specifications in Attachment G may result in monetary disincentives of \$100 per instance payable to the State.

3.4 Should the escalation plan as provided by the Contractor, Attachment G, not be followed explicitly, other than for reasons beyond Contractor's control, Contractor shall be liable for lost commissions during times that phones were in need of repair or not properly operating. Lost commission will be calculated by multiplying the average number of calls for each call type x (times) the then prevailing calling rates x (times) the commission rate. The specific commission shall be calculated by the State and the State will advise the Contractor of all commissions due. Contractor shall pay the calculated lost commission with the next commission payment due the State. Contractor will be allotted time between the notification and the next commission payment to validate the lost commission.

3.5 Refer to Attachment A – Section 1. Inmate Telephone Services, Subsection 12. General Maintenance, 1.12.6 – “Contractor shall conduct monthly “walk throughs” of all State facilities to physically inspect inmate telephones and other Contractor equipment. These monthly visits must be scheduled one month in advance with State facility security staff to provide ample time for security staff scheduling.”

Any visit not attended, within Contractor's control, when scheduled shall result in Contractor being billed for costs associated with scheduling additional security staff necessary for the “walk through”. (These funds will be deposited into the State's general fund as a refund of expenditure.)

3.6 Commissary orders are to be delivered per the agreed upon schedule between Contractor and the State. Any instances, within Contractor's control (including subcontractors), of late or missed deliveries shall result in a \$500 payment due to the State for each day delivery is late. Any quarter, (Jan – Mar, Apr – Jun, Jul – Sept, Oct – Dec), with zero (0) late or missed deliveries shall result in a one time \$500 reduction in the commissary commissions payable to the State.

3.7 Commissary orders are to be delivered in boxes durable enough to support contents. Boxes received by the State in unacceptable (i.e. crushed, broken, leaking, etc.) conditions may result in a \$100 per box payment due to the State. This payment is in addition to any credits given for damaged products. Any quarter, (Jan – Mar, Apr – Jun, Jul – Sept, Oct – Dec), in which zero (0) boxes are received in unacceptable condition may result in a one time \$500 reduction in the commissary commissions payable to the State.

3.8 Refer to Attachment A – Section 2. Inmate Accounting System and Commissary Services, subsection 2.2.10 – “Contractor shall adhere to specified project timeline in accordance with Attachment I.”

Should Contractor fail to meet documented timelines a \$500 per day fine shall be payable to the State unless written approval for an extension is received by the State contract manager.

3.9 Refer to Attachment A – Section 2. Inmate Accounting System and Commissary Services, subsection 2.3.3 – “Inventory levels shall be maintained to ensure an order fill rate of at least 98%”.

Average weekly fill rates less than 98% may result in a disincentive of \$100 per .1% point of shortfall, payable to the State. Average weekly fill rates greater than 98.5% may result in a once per month commissary commission reduction of \$300.

3.10 Refer to Attachment A – Section 2. Inmate Accounting System and Commissary Services, subsection 2.3.6 – “Contractor shall adhere to specified project timeline in accordance with Attachment I.”

Should Contractor fail to meet documented timelines a \$500 per day fine shall be payable to the State unless written approval for an extension is received by the State contract manager.

3.11 Credits for missing or stale dated products (while under Contractor's control) in excess of an average weekly state-wide rate of 2% of quantity (not monetary value) may result in payment due the State equal to the total amount of credits.

Contractor shall submit all invoices to:
Inmate Telephone/Commissary/Accounting Contract Manager
VT Department of Corrections, Central Business Office
103 S. Main St.
Waterbury, VT 05671-1001

ATTACHMENT C
CUSTOMARY PROVISIONS FOR CONTRACTS AND GRANTS

1. **Entire Agreement.** This Agreement, whether in the form of a Contract, State Funded Grant, or Federally Funded Grant, 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 Agreement will be governed by the laws of the State of Vermont.
3. **Definitions:** For purposes of this Attachment, "Party" shall mean the Contractor, Grantee or Subrecipient, with whom the State of Vermont is executing this Agreement and consistent with the form of the Agreement.
4. **Appropriations:** If appropriations are insufficient to support this Agreement, the State may cancel on a date agreed to by the parties or upon the expiration or reduction of existing appropriation authority. In the case that this Agreement is funded in whole or in part by federal or other non-State funds, and in the event those funds become unavailable or reduced, the State may suspend or cancel this Agreement immediately, and the State shall have no obligation to fund this Agreement from State revenues.
5. **No Employee Benefits For Party:** The Party 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 Agreement. The Party 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 Party, and information as to Agreement income will be provided by the State of Vermont to the Internal Revenue Service and the Vermont Department of Taxes.
6. **Independence, Liability:** The Party will act in an independent capacity and not as officers or employees of the State.

The Party 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 Party or of any agent of the Party. The State shall notify the Party in the event of any such claim or suit, and the Party shall immediately retain counsel and otherwise provide a complete defense against the entire claim or suit. The Party 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 Agreement.

After a final judgment or settlement the Party may request recoupment of specific defense costs and may file suit in Washington Superior Court requesting recoupment. The Party 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 Party.

The Party 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 Party.

7. **Insurance:** Before commencing work on this Agreement the Party must provide certificates of insurance to show that the following minimum coverage is in effect. It is the responsibility of the Party to maintain current certificates of insurance on file with the state through the term of the Agreement. No warranty is made that the coverage and limits listed herein are adequate to cover and protect the interests of the Party for the Party's operations. These are solely minimums that have been established to protect the interests of the State.

Workers Compensation: With respect to all operations performed, the Party 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 Agreement, the Party 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

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

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

Party shall name the State of Vermont and its officers and employees as additional insureds for liability arising out of this Agreement.

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

8. **Reliance by the State on Representations:** All payments by the State under this Agreement will be made in reliance upon the accuracy of all prior representations by the Party, including but not limited to bills, invoices, progress reports and other proofs of work.
9. **Requirement to Have a Single Audit:** In the case that this Agreement is a Grant that is funded in whole or in part by federal funds, and if this Subrecipient expends \$500,000 or more in federal assistance during its fiscal year, the Subrecipient is required to have a single audit conducted in accordance with the Single Audit Act, except when it elects to have a program specific audit.

The Subrecipient may elect to have a program specific audit if it expends funds under only one federal program and the federal program's laws, regulating or grant agreements do not require a financial statement audit of the Party.

A Subrecipient is exempt if the Party expends less than \$500,000 in total federal assistance in one year.

The Subrecipient will complete the Certification of Audit Requirement annually within 45 days after its fiscal year end. If a single audit is required, the sub-recipient will submit a copy of the audit report to the primary pass-through Party and any other pass-through Party that requests it within 9 months. If a single audit is not required, the Subrecipient will submit the Schedule of Federal Expenditures within 45 days. These forms will be mailed to the Subrecipient by the Department of Finance and Management near the end of its fiscal year. These forms are also available on the Finance & Management Web page at: <http://finance.vermont.gov/forms>

10. **Records Available for Audit:** The Party 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 Agreement 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 Agreement.
11. **Fair Employment Practices and Americans with Disabilities Act:** Party 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. Party 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 Party under this Agreement. Party further agrees to include this provision in all subcontracts.

12. Set Off: The State may set off any sums which the Party owes the State against any sums due the Party under this Agreement; 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.

13. Taxes Due to the State:

- a. Party 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. Party certifies under the pains and penalties of perjury that, as of the date the Agreement is signed, the Party 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. Party understands that final payment under this Agreement may be withheld if the Commissioner of Taxes determines that the Party 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.

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

14. Child Support: (Applicable if the Party is a natural person, not a corporation or partnership.) Party states that, as of the date the Agreement is signed, he/she:

- a. is not under any obligation to pay child support; or
- b. is under such an obligation and is in good standing with respect to that obligation; or
- c. has agreed to a payment plan with the Vermont Office of Child Support Services and is in full compliance with that plan.

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

15. Sub-Agreements: Party shall not assign, subcontract or subgrant the performance of his Agreement or any portion thereof to any other Party without the prior written approval of the State. Party also agrees to include in subcontract or subgrant agreements a tax certification in accordance with paragraph 13 above.

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

16. No Gifts or Gratuities: Party 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 Agreement.

17. Copies: All written reports prepared under this Agreement will be printed using both sides of the paper.

18. Certification Regarding Debarment: Party certifies under pains and penalties of perjury that, as of the date that this Agreement is signed, neither Party nor Party'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.

State of Vermont – Attachment C

Revised AHS - 4-06-09

**ATTACHMENT E
BUSINESS ASSOCIATE AGREEMENT**

THIS BUSINESS ASSOCIATE AGREEMENT ("AGREEMENT") IS ENTERED INTO BY AND BETWEEN THE STATE OF VERMONT AGENCY OF HUMAN SERVICES OPERATING BY AND THROUGH ITS DEPARTMENT, OFFICE, OR DIVISION OF DEPARTMENT OF CORRECTIONS ("COVERED ENTITY") AND PUBLIC COMMUNICATIONS SERVICES, INC. ("BUSINESS ASSOCIATE") AS OF 10/01/2010 ("EFFECTIVE DATE"). THIS AGREEMENT SUPPLEMENTS AND IS MADE A PART OF THE CONTRACT TO WHICH IT IS AN ATTACHMENT.

Covered Entity and Business Associate enter into this Agreement to comply with standards promulgated under the Health Insurance Portability and Accountability Act of 1996 ("HIPAA") including the Standards for the Privacy of Individually Identifiable Health Information at 45 CFR Parts 160 and 164 ("Privacy Rule") and the Security Standards at 45 CFR Parts 160 and 164 ("Security Rule"), as amended by subtitle D of the Health Information Technology for Economic and Clinical Health Act.

The parties agree as follows:

1. **Definitions.** All capitalized terms in this Agreement have the meanings identified in this Agreement, 45 CFR Part 160, or 45 CFR Part 164.

The term "Services" includes all work performed by the Business Associate for or on behalf of Covered Entity that requires the use and/or disclosure of protected health information to perform a business associate function described in 45 CFR 160.103 under the definition of Business Associate.

The term "Individual" includes a person who qualifies as a personal representative in accordance with 45 CFR 164.502(g).

The term "Breach" means the acquisition, access, use or disclosure of protected health information (PHI) in a manner not permitted under the HIPAA Privacy Rule, 45 CFR part 164, subpart E, which compromises the security or privacy of the PHI. "Compromises the security or privacy of the PHI" means poses a significant risk of financial, reputational or other harm to the individual.

2. **Permitted and Required Uses/Disclosures of PHI.**

2.1 Except as limited in this Agreement, Business Associate may use or disclose PHI to perform Services, as specified in the underlying contract with Covered Entity. Business Associate shall not use or disclose PHI in any manner that would constitute a violation of the Privacy Rule if used or disclosed by Covered Entity in that manner. Business Associate may not use or disclose PHI other than as permitted or required by this Agreement or as Required by Law.

2.2 Business Associate may make PHI available to its employees who need access to perform Services provided that Business Associate makes such employees aware of the use and disclosure restrictions in this Agreement and binds them to comply with such restrictions. Business Associate may only disclose PHI for the purposes authorized by this Agreement: (a) to its agents (including subcontractors) in accordance with Sections 8 and 16 or (b) as otherwise permitted by Section 3.

3. **Business Activities.** Business Associate may use PHI received in its capacity as a "Business Associate" to Covered Entity if necessary for Business Associate's proper management and administration or to carry out its legal responsibilities. Business Associate may disclose PHI received in its capacity as "Business Associate" to Covered Entity for Business Associate's proper management and administration or to carry out its legal responsibilities if a disclosure is Required by Law or if (a) Business Associate obtains reasonable written assurances via a written agreement from the person to whom the information is to be disclosed that the PHI shall remain confidential and be used or further disclosed only as Required by Law or for the purpose for which it was disclosed to the person and (b) the person notifies Business Associate, within three business days (who in turn will notify Covered Entity within three business days after receiving notice of a Breach as specified in Section 5.1), in writing of any Breach of Unsecured PHI of which it is aware. Uses and disclosures of PHI for the purposes identified in this Section must be of the minimum amount of PHI necessary to accomplish such purposes.

4. **Safeguards.** Business Associate shall implement and use appropriate safeguards to prevent the use or disclosure of PHI other than as provided for by this Agreement. With respect to any PHI that is maintained in or transmitted by electronic media, Business Associate shall comply with 45 CFR sections 164.308 (administrative safeguards), 164.310 (physical safeguards), 164.312 (technical safeguards) and 164.316 (policies and procedures and documentation requirements). Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to prevent impermissible uses or disclosures of PHI.
5. **Documenting and Reporting Breaches.**
 - 5.1 Business Associate shall report to Covered Entity any Breach of Unsecured PHI as soon as it (or any of its employees or agents) become aware of any such Breach, and in no case later than three (3) business days after it (or any of its employees or agents) becomes aware of the Breach, except when a law enforcement official determines that a notification would impede a criminal investigation or cause damage to national security.
 - 5.2 Business Associate shall provide Covered Entity with the names of the individuals whose Unsecured PHI has been, or is reasonably believed to have been, the subject of the Breach and any other available information that is required to be given to the affected individuals, as set forth in 45 CFR §164.404(c), and, if requested by Covered Entity, information necessary for Covered Entity to investigate the impermissible use or disclosure. Business Associate shall continue to provide to Covered Entity information concerning the Breach as it becomes available to it.
 - 5.3 When Business Associate determines that an impermissible acquisition, use or disclosure of PHI by a member of its workforce does not pose a significant risk of harm to the affected individuals, it shall document its assessment of risk. Such assessment shall include: 1) the name of the person(s) making the assessment, 2) a brief summary of the facts, and 3) a brief statement of the reasons supporting the determination of low risk of harm. When requested by Covered Entity, Business Associate shall make its risk assessments available to Covered Entity.
6. **Mitigation and Corrective Action.** Business Associate shall mitigate, to the extent practicable, any harmful effect that is known to it of an impermissible use or disclosure of PHI, even if the impermissible use or disclosure does not constitute a Breach. Business Associate shall draft and carry out a plan of corrective action to address any incident of impermissible use or disclosure of PHI. If requested by Covered Entity, Business Associate shall make its mitigation and corrective action plans available to Covered Entity.
7. **Providing Notice of Breaches.**
 - 7.1 If Covered Entity determines that an impermissible acquisition, access, use or disclosure of PHI for which one of Business Associate's employees or agents was responsible constitutes a Breach as defined in 45 CFR §164.402, and if requested by Covered Entity, Business Associate shall provide notice to the individuals whose PHI was the subject of the Breach. When requested to provide notice, Business Associate shall consult with Covered Entity about the timeliness, content and method of notice, and shall receive Covered Entity's approval concerning these elements. The cost of notice and related remedies shall be borne by Business Associate.
 - 7.2 The notice to affected individuals shall be provided as soon as reasonably possible and in no case later than 60 calendar days after Business Associate reported the Breach to Covered Entity.
 - 7.3 The notice to affected individuals shall be written in plain language and shall include, to the extent possible, 1) a brief description of what happened, 2) a description of the types of Unsecured PHI that were involved in the Breach, 3) any steps individuals can take to protect themselves from potential harm resulting from the Breach, 4) a brief description of what the Business associate is doing to investigate the Breach, to mitigate harm to individuals and to protect against further Breaches, and 5) contact procedures for individuals to ask questions or obtain additional information, as set forth in 45 CFR §164.404(c).
 - 7.4 Business Associate shall notify individuals of Breaches as specified in 45 CFR §164.404(d) (methods of individual notice). In addition, when a Breach involves more than 500 residents of Vermont, Business associate shall, if requested by Covered Entity, notify prominent media outlets serving Vermont, following the requirements set forth in 45 CFR §164.406.

8. **Agreements by Third Parties.** Business Associate shall ensure that any agent (including a subcontractor) to whom it provides PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity agrees in a written agreement to the same restrictions and conditions that apply through this Agreement to Business Associate with respect to such PHI. For example, the written contract must include those restrictions and conditions set forth in Section 14. Business Associate must enter into the written agreement before any use or disclosure of PHI by such agent. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of PHI. Business Associate shall provide a copy of the written agreement to Covered Entity upon request. Business Associate may not make any disclosure of PHI to any agent without the prior written consent of Covered Entity.
9. **Access to PHI.** Business Associate shall provide access to PHI in a Designated Record Set to Covered Entity or as directed by Covered Entity to an Individual to meet the requirements under 45 CFR 164.524. Business Associate shall provide such access in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for access to PHI that Business Associate directly receives from an Individual.
10. **Amendment of PHI.** Business Associate shall make any amendments to PHI in a Designated Record Set that Covered Entity directs or agrees to pursuant to 45 CFR 164.526, whether at the request of Covered Entity or an Individual. Business Associate shall make such amendments in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any request for amendment to PHI that Business Associate directly receives from an Individual.
11. **Accounting of Disclosures.** Business Associate shall document disclosures of PHI and all information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR 164.528. Business Associate shall provide such information to Covered Entity or as directed by Covered Entity to an Individual, to permit Covered Entity to respond to an accounting request. Business Associate shall provide such information in the time and manner reasonably designated by Covered Entity. Within three (3) business days, Business Associate shall forward to Covered Entity for handling any accounting request that Business Associate directly receives from an Individual.
12. **Books and Records.** Subject to the attorney-client and other applicable legal privileges, Business Associate shall make its internal practices, books, and records (including policies and procedures and PHI) relating to the use and disclosure of PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity available to the Secretary in the time and manner designated by the Secretary. Business Associate shall make the same information available to Covered Entity (without regard to the attorney-client or other applicable legal privileges) upon Covered Entity's request in the time and manner reasonably designated by Covered Entity so that Covered Entity may determine whether Business Associate is in compliance with this Agreement.
13. **Termination.**
 - 13.1 This Agreement commences on the Effective Date and shall remain in effect until terminated by Covered Entity or until all of the PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity is destroyed or returned to Covered Entity subject to Section 17.7.
 - 13.2 If Business Associate breaches any material term of this Agreement, Covered Entity may either: (a) provide an opportunity for Business Associate to cure the breach and Covered Entity may terminate this Contract without liability or penalty if Business Associate does not cure the breach within the time specified by Covered Entity; or (b) immediately terminate this Contract without liability or penalty if Covered Entity believes that cure is not reasonably possible; or (c) if neither termination nor cure are feasible, Covered Entity shall report the breach to the Secretary. Covered Entity has the right to seek to cure any breach by business Associate and this right, regardless of whether Covered Entity cures such breach, does not lessen any right or remedy available to Covered Entity at law, in equity, or under this Contract, nor does it lessen Business Associate's responsibility for such breach or its duty to cure such breach.
14. **Return/Destruction of PHI.**

- 14.1 Business Associate in connection with the expiration or termination of this Contract shall return or destroy all PHI received from Covered Entity or created or received by Business Associate on behalf of Covered Entity pursuant to this Contract that Business Associate still maintains in any form or medium (including electronic) within thirty (30) days after such expiration or termination. Business Associate shall not retain any copies of the PHI. Business Associate shall certify in writing for Covered Entity (1) when all PHI has been returned or destroyed and (2) that Business Associate does not continue to maintain any PHI. Business Associate is to provide this certification during this thirty (30) day period.
- 14.2 Business Associate shall provide to Covered Entity notification of any conditions that Business Associate believes make the return or destruction of PHI infeasible. If Covered Entity agrees that return or destruction is infeasible, Business Associate shall extend the protections of this Agreement to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction infeasible for so long as Business Associate maintains such PHI.
15. **Penalties and Training.** Business Associate understands that: (a) there may be civil or criminal penalties for misuse or misappropriation of PHI and (b) violations of this Agreement may result in notification by Covered Entity to law enforcement officials and regulatory, accreditation, and licensure organizations. If requested by Covered Entity, Business Associate shall participate in training regarding the use, confidentiality, and security of PHI.
16. **Security Rule Obligations.** The following provisions of this Section apply to the extent that Business Associate creates, receives, maintains or transmits Electronic PHI on behalf of Covered Entity.
- 16.1 Business Associate shall implement and use administrative, physical, and technical safeguards in compliance with 45 CFR sections 164.308, 164.310, and 164.312 with respect to the Electronic PHI that it creates, receives, maintains or transmits on behalf of Covered Entity. Business Associate shall identify in writing upon request from Covered Entity all of the safeguards that it uses to protect such Electronic PHI.
- 16.2 Business Associate shall ensure that any agent (including a subcontractor) to whom it provides Electronic PHI agrees in a written agreement to implement and use administrative, physical, and technical safeguards that reasonably and appropriately protect the Confidentiality, Integrity and Availability of the Electronic PHI. Business Associate must enter into this written agreement before any use or disclosure of Electronic PHI by such agent. The written agreement must identify Covered Entity as a direct and intended third party beneficiary with the right to enforce any breach of the agreement concerning the use or disclosure of Electronic PHI. Business Associate shall provide a copy of the written agreement to Covered Entity upon request. Business Associate may not make any disclosure of Electronic PHI to any agent without the prior written consent of Covered Entity.
- 16.3 Business Associate shall report in writing to Covered Entity any Security Incident pertaining to such Electronic PHI (whether involving Business Associate or an agent, including a subcontractor). Business Associate shall provide this written report as soon as it becomes aware of any such Security Incident, and in no case later than three (3) business days after it becomes aware of the incident. Business Associate shall provide Covered Entity with the information necessary for Covered Entity to investigate any such Security Incident.
- 16.4 Business Associate shall comply with any reasonable policies and procedures Covered Entity implements to obtain compliance under the Security Rule.
17. **Miscellaneous.**
- 17.1 In the event of any conflict or inconsistency between the terms of this Agreement and the terms of the Contract, the terms of this Agreement shall govern with respect to its subject matter. Otherwise the terms of the Contract continue in effect.
- 17.2 Business Associate shall cooperate with Covered Entity to amend this Agreement from time to time as is necessary for Covered Entity to comply with the Privacy Rule, the Security Rule, or any other standards promulgated under HIPAA.

- 17.3 Any ambiguity in this Agreement shall be resolved to permit Covered Entity to comply with the Privacy Rule, Security Rule, or any other standards promulgated under HIPAA.
- 17.4 In addition to applicable Vermont law, the parties shall rely on applicable federal law (e.g., HIPAA, the Privacy Rule and Security Rule) in construing the meaning and effect of this Agreement.
- 17.5 As between Business Associate and Covered Entity, Covered Entity owns all PHI provided by Covered Entity to Business Associate or created or received by Business Associate on behalf of Covered Entity.
- 17.6 Business Associate shall abide by the terms and conditions of this Agreement with respect to all PHI it receives from Covered Entity or creates or receives on behalf of Covered Entity under this Contract even if some of that information relates to specific services for which Business Associate may not be a "Business Associate" of Covered Entity under the Privacy Rule.
- 17.7 The provisions of this Agreement that by their terms encompass continuing rights or responsibilities shall survive the expiration or termination of this Agreement. For example: (a) the provisions of this Agreement shall continue to apply if Covered Entity determines that it would be infeasible for Business Associate to return or destroy PHI as provided in Section 14.2 and (b) the obligation of Business Associate to provide an accounting of disclosures as set forth in Section 11 survives the expiration or termination of this Agreement with respect to accounting requests, if any, made after such expiration or termination.

(AHS Rev: 1/25/10)



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. 08-048 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 in the performance of services connected with this agreement, who provides care, custody, treatment, transportation, 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(a)(3) & 33 V.S.A. §6911 (c)(3)).

9. **Reporting of Abuse, Neglect, or Exploitation.** Consistent with provisions of 33 V.S.A. §4913(a) and §6903, any agent or employee of a Contractor who, in the performance of services connected with this agreement, has contact with clients or is a caregiver and who has reasonable cause to believe that a child or vulnerable adult has been abused or neglected as defined in Chapter 49 or abused, neglected, or exploited as defined in Chapter 69 of Title 33 V.S.A. shall make a report involving children to the Commissioner of the Department for Children and Families within 24 hours or a report involving vulnerable adults to the Division of Licensing and Protection at the Department of Disabilities, Aging, and Independent Living within 48 hours. This requirement applies except in those instances where particular roles and functions are exempt from reporting under state and federal law. Reports involving children shall contain the information required by 33 V.S.A. §4914. Reports involving vulnerable adults shall contain the information required by 33 V.S.A. §6904. The Contractor will ensure that its agents or employees receive training on the reporting of abuse or neglect to children and abuse, neglect or exploitation of vulnerable adults.

10. **Intellectual Property/Work Product Ownership.** All data, technical information, materials first 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 grant - shall be considered "work for hire" and remain the property of the State of Vermont, regardless of the state of completion - unless otherwise specified in this agreement. 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 first developed for the State, all 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, documentation and/or source codes developed.

The Contractor shall not sell or copyright a work product or item produced under this agreement 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. Nothing herein shall entitle the State to pre-existing Contractor's materials.

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. **Computing and Communication:** The Contractor shall select, in consultation with the Agency of Human Services' Information Technology unit, one of the approved methods for secure access to the State's systems and data, if required. Approved methods are based on the type of work performed by the Contractor as part of this agreement. Options include, but are not limited to:

1. Contractor's provision of certified computing equipment, peripherals and mobile devices, on a separate Contractor's network with separate internet access. The Agency of Human Services' accounts may or may not be provided.
2. State supplied and managed equipment and accounts to access state applications and data, including State issued active directory accounts and application specific accounts, which follow the National Institutes of Standards and Technology (NIST) security and the Health Insurance Portability & Accountability Act (HIPAA) standards.

The State will not supply e-mail accounts to the Contractor.

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.

Attachment F - Revised AHS -12-08-09



PUBLIC COMMUNICATIONS SERVICES, INC. (PCS)

PCS Service Policies & Procedures

For the Vermont Department of Corrections



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Introduction

Public Communications Services, Inc. (PCS), is in the business of connecting inmates to their families and friends while providing premier investigative and monitoring tools for use in the secure corrections environment. PCS principals have specialized in inmate communication systems for more than 20 years, a focus and commitment that few companies in the nation can demonstrate.

Approach

Our continuing mission is to be the premier provider of inmate telecommunication systems and related services through exceptional quality in both service and operations.

PCS accomplishes this by providing the VTDOC with Site Administrators and technicians and aligning PCS's Technical Services Support Staff into a multi-tier support structure to ensure that they strictly adhere to our quality, service and support standards. These elements allow for immediate support and remediation of Service Events, 24 hours a day, 365 days a year, that may be reported to PCS via the following.

- On-site support personnel;
- PCS's BMC Service Desk Express trouble reporting system;
- PCS's Technical Support number (800) 6-INMATE (a.k.a. (800) 646-6283)

PCS also maintains pre-defined Quality Management, Change Management and Service Level Management (SLM) programs to ensure we provide the highest quality of service and support to our customers. SLM is one of the core ITIL version 2 and version 3 principles focused on providing the premier service quality by aligning how PCS works to the services we provide. This, in turn, supports our commitment to ensuring that customer issues (we call them "Service Events") are resolved on time, per our internal standards and contractual service level agreements (SLAs).

These practices form the core of PCS's operating philosophy, and are the basis of our quality processes for everyday practical use. Following these practices requires, on a regular and ongoing basis:

- Authentication of established service levels;
- Highly visible reporting of results, positive or negative;
- Quantified, measurable, meaningful metrics for break/fix;



Service Policies and Procedures

- Willingness to change the scope, form, or support levels to meet SLAs, as business needs evolve; and
- A serious commitment to a meaningful Total Quality Management (TQM) process.

It moreover must be recognized that when expectations and quality commitments are not established, it is generally very difficult to satisfy the service needs of the Operations Division and our customers. Thus, PCS's operating practices represent our means of establishing and adhering to a set of expectations that are realistic and achievable, all to meet our ultimate goal of having satisfied customers.

Preventative Maintenance

The key to system reliability is preventive maintenance. PCS Field Services Technicians visit the facility on a regularly scheduled basis and make contact with key facility personnel to address any new concerns. Each regular visit will include the following:

1. Physical test of all inmate phones for functionality including voice prompts, keypad operation, and handset operation. Test all outbound trunks for dial tone and proper PIC code. Complete all required inmate phone repairs.
2. Operational test of all call processing equipment and perform routine maintenance and cleaning.
3. Verification that all new facility personnel who work with the inmate phone system are familiar with the proper operation of the system and provide training as necessary.
4. Verification that the appropriate facility personnel have repair and technical service escalation materials.

After every visit, technicians will complete a PCS Scheduled Maintenance & Service Form that is forwarded to PCS for Technical Services to evaluate and track.

Emergency Maintenance

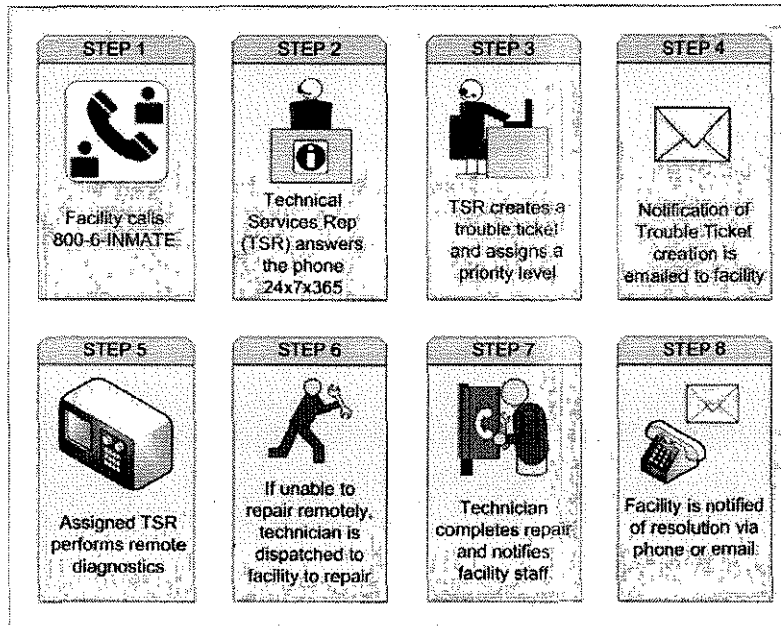
Anytime a client reports a problem, our experienced Technical Service Representatives will respond within 30 minutes. The Technical Services Department receives inmate phone service calls from facilities across the nation, ranging from State Departments of Corrections, County Sheriff's Departments, Immigration Detention Centers and City Jails. The facilities contact us via a 24-hour live-answered number: 800-6-INMATE.

Once a problem has been reported to PCS, Technical Services staff will create a trouble ticket and begin remote diagnostics. If the problem cannot be fixed remotely, Technical Services will arrange for a factory-trained field services technician to go to the facility to make the repair. PCS will adhere to the following protocol when responding to a request for technical support.

1. When the facility site contacts PCS via the 800-6-INMATE line, a ticket will be opened and a phone call put through to a backup technician.
2. The backup technician will report their status and provide an ETA.
3. A PCS Technical Services representative will contact the person who has requested dispatch to let them know the ticket number and provide an ETA for the technician en route.
4. The technician will notify the PCS Technical Services rep. when they have arrived onsite; will sign the facility check-in form on arrival, and meet with the escort provided by the facility (if available/required).
5. The technician will report the status of the issue to PCS if they are unable to resolve the problem immediately.
6. The PCS representative will contact the VTDOC staff member who reported the problem, and provide them with a status report of the situation every hour until resolution.
7. The Technician will notify the PCS representative of ticket completion if they are able to resolve the issue.
8. The PCS representative will contact the VTDOC staff member who reported the problem to let them know that the problem has been resolved. If they are satisfied with the resolution, the ticket will be closed.



Service Policies and Procedures



Service Event Tracking and Life Cycle

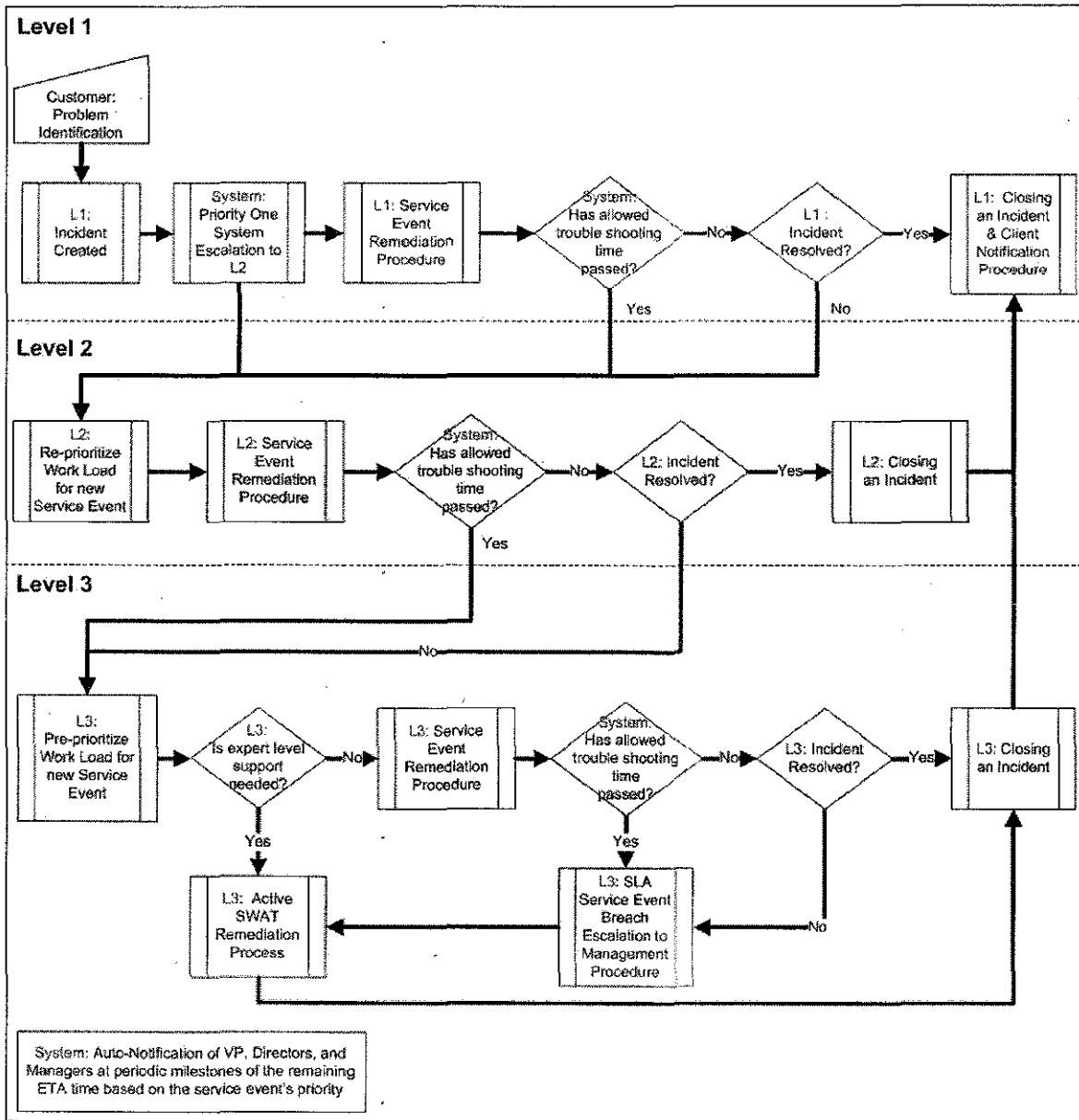
Each Service Event, whether a reactive break/fix scenario or a proactive change request, is logged and monitored through PCS’s automated Ticketing System. PCS’s Ticketing System tracks Service Events, assignments, escalations, and response and resolution times for each Service Event, from its initial entry to final close-out. The Ticketing System monitors incidents submitted through any means, such as automated monitoring system alerts, a phone call from facility staff, technicians or site administrators, e-mail, fax, or inmate complaint form.

The system also supports automated notifications and escalations based on response and resolution business rules established per priority, by facility. Each Service Event Ticket moreover is assigned to an individual owner who is responsible for tracking and ensuring that the issue is remediated to your expectations and within the time frames of the Service Event’s priority level.

On the following page, you will see a diagram of PCS’s technical support **Service Event Life Cycle**.



Service Event Life Cycle



Signature

Service Policies and Procedures

Service Event Priority and Remediation

PCS is committed to the prompt repair and/or service restoration of inmate telephony services in the unlikely event of a service interruption, as well as to resolving any service request properly and on time. Accordingly, PCS has established standards for our response and repair times, to which we rigorously hold ourselves.

The following are PCS's standard service levels and resolution times:

Priority Level	Definition of Priority	Examples	Target SLA
P1	Priority Level 1 items are major Service Events that globally or severely impact the ability of inmates to make telephone calls or other services.	<ul style="list-style-type: none"> • Entire system fails • Multiple entire housing areas not operational 	8 hour physical response and/or remote reset; Repair made within 24 hours
P2	Priority Level 2 items are Service Events impacting an entire housing area and that require immediate attention	<ul style="list-style-type: none"> • One entire housing unit not operational 	Repair made in 24 hours
P3	Priority Level 3 items are basic service requests for minor, non-critical incidents.	<ul style="list-style-type: none"> • One or more inmate phones in a housing unit is not operational 	Repair made within 48 hours
P4	Priority Level 4 items are lower priority requests that do not directly affect the availability of services.	<ul style="list-style-type: none"> • Development of new features, report creation. 	As mutually agreed upon with facility personnel.

In certain extenuating circumstances outside of PCS's control, such as events of Force Majeure, the foregoing time frames do not apply.



Escalation Procedure

As outlined in the Service Event Life Cycle, PCS's Ticketing System automatically escalates the ticket for a Service Event to the next appropriate level of technical support for remediation, if the allotted trouble shooting time has passed. This ensures that the most qualified and available technician is working on the Service Event and the issue is resolved per our service levels.

In order to ensure that the VTDOC receives the highest quality of service available, PCS maintains detailed, tiered escalation procedures. PCS's internal tracking and escalation procedures are as follows:

PCS INCIDENT INTERNAL ESCALATION PROCEDURES Vermont Department of Corrections

	When Escalated	Owner	Communication
1	Initial Incident Created	Level 1 Tech. Incident Owner	Incident Number Provided to VTDOC
2	First breach of internal allotted trouble shooting time	Level 1 Tech. Incident Owner Technical Services Lead	Provide VTDOC a Status Update of the issue and, if available, proposed time frame for remediation
3	Second breach of internal allotted trouble shooting time	Level 1 Tech. Incident Owner Technical Services Manager	Provide VTDOC a Status Update of the issue and time frame from remediation
4	Third breach of internal allotted trouble shooting time	Technical Services Manager Director of Inmate Support Operations Additional Operations Managers (as needed for SWAT process activation)	Provide VTDOC a Status Update of the issue and revised time frame from remediation
Final Tier	Final breach of allotted trouble shooting time	Technical Services Manager Director of Inmate Support Operations Vice President, Operations	Technical Services Manager, Director of Inmate Support Operations & the Vice President of Operations will personally oversee the remediation of the issue and the client communications





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Moreover, in order to ensure direct lines of communication between the VTDOC and PCS, we have developed the following communication escalation process available to the VTDOC, if in the rare instance, VTDOC personnel do not find that an issue is being resolved to their satisfaction:

COMMUNICATION ESCALATION PROCESS Vermont Department of Corrections

	When To Escalate	PCS Management Escalation Path
1	Initial Call or One Hour Past the Required Repair Timeline	Technical Services On-Call: (424) 202-1957 Direct Line: (818) 898-3584 Or (800) 646-6283
2	Second Call or Two Hours Past the Required Repair Timeline	Technical Services Lead: Lori Floyd (310) 220-9893
3	Third Call or Three Hours Past the Required Repair Timeline	Technical Services Manager: Matt McFalls (817) 491-5163
4	Fourth Call or Four Hours Past the Required Repair Timeline	Director of Inmate Support Operations: George McNitt (817) 690-4809
Final Tier	Fifth Call or Five Hours Past the Required Repair Timeline	Vice President, Operations: Doyle Schaefer (310) 231-1000 x3027

Issue, Trends, Problem Identification Tools

PCS uses an array of tools to help identify issues, trends and potential problems. One common tool is the PCS's Ticketing System reports, which provide a summary view of Service Events, their respective priority levels, their occurrences, and our adherence to service levels. To ensure complete client satisfaction and visibility, these reports are available to our clients as requested.

PCS also employs remote network monitoring systems Big Brother, Solar Winds and Scrutinizer. Big Brother identifies potential issues in MPLS/PIP (Proprietary Internet Protocol) and WAN connectivity. With this software our Technical Services Department can remotely monitor processor load, disk and memory usage, log files and currently running processes on client's host server. We can also check environmental factors such as temperature that might affect system function or durability thus proactively preventing problems and maximizing system uptime and functionality.

As an extra monitoring tool, PCS monitors all network devices throughout the United States using Solar Winds. Solar Winds provides event notification, event logs and the ability to combine measurements from connected devices to drill-down within systems and identify which component within a local network is having problems. This enables PCS's Network Operations centers to be sure they are dispatching the right technician with the right tools

and equipment for each repair leading to prompt resolution of any issues detected on PCS's network.

In the event that a problem is detected, often before any service disruption can occur, Big Brother automatically sends a notification to PCS Technical Services and to the client server and local technician. The client can be notified by email, pager or other preferred method.

To monitor the traffic load on network links, PCS uses the Scrutinizer NetFlow & sFlow Analyzer software. Scrutinizer retrieves traffic details from routers and switches, and reports on the protocols of packets flowing over the routers. It provides real-time details on how much bandwidth is being consumed on a protocols per-station and stations/hosts per protocol, and presents them graphically. It can measure the volume and rate of flow of traffic through every router on the PCS WAN over any time period from a matter of seconds to months and present it graphically for examination.

Site Administrators

In order to provide the highest quality and most responsive service possible, PCS will, in addition to following the above Service Event resolution procedures, and using our Field Services Technicians and Technical Services staff, provide VTDOC facilities with Site Administrators. These Site Administrators will be present to take responsibility for database and account maintenance and also to help the VTDOC's staff take advantage of our system's full capabilities. PCS will provide Site Administrators who meet the VTDOC's specifications and are approved by the VTDOC.

PCS's Site Administrator position monitors the overall operations of the inmate telephone system, is prepared to testify as to chain of custody of call data and recordings, performs data entry, responds to requests and complaints from both facility personnel and the inmate population, and arranges for repair of on-site equipment as necessary. The Site Administrator is your first point of contact for any questions, concerns, or reports regarding the inmate telephone system.

Site Administrators also may take over tasks currently being performed by staff members, and help to optimize system benefits, such as monitoring calls to alert staff of a security breach and reporting three-way call attempts. Site Administrators work directly with our maintenance and service subcontractor and with PCS internal Technical and Field Services staff to proactively identify any service issues and ensure Service Events are reported and resolved in a timely manner, to the satisfaction of facility personnel.

Problem Management

Problem management, an essential core function of a comprehensive service program, focuses on identifying the root cause of service problems as they arise.



Service Policies and Procedures

PCS's problem management process encompasses regular meetings and system/network performance reviews. First, PCS operations and technical staff review Service Events during our weekly technical service support team meeting. As needed, additional conference calls with the appropriate support personnel and associated contractors are held to ensure events receive the most complete analysis.

Second, Quality Control leads a monthly incident management meeting. The purpose of this meeting is to discuss recent issues and any trends related to system support and system reliability. Attendees include, but are not limited to, personnel from Technical Services, Network Engineering, Field Services, Project Management, and Operations Senior Management.

Root Cause Analysis

PCS has a rigorous root cause analysis program stemming from our dedication to excellent service quality. We work to identify the root cause of problems by analyzing related incidents, if available, or through detailed system/network research. Once we identify the root cause of a problem, we determine and implement preventative process changes and/or solutions for long term remediation, which are documented on an internal change request form, and handled by Quality Control through the change management process.

Change Management

PCS adheres to a change management process to ensure that all changes introduced into production are appropriately scheduled, communicated with each facility representative, and carried out. At a high-level, changes are entered into PCS's Ticketing System. These changes are reviewed by our internal Change Advisory Board (CAB) for impacts, risks, and scheduled release date approval. The review also incorporates analysis of any pertinent documentation, such as a high-level requirements summary, system impact analysis, unit testing, or detailed testing results.

Once approved for scheduled release by the CAB, the release date is confirmed with each affected facility to ensure no service or other adverse impacts to the facility will occur. A separate release notice is sent out to each impacted facility and to internal PCS personnel. The changes are then made to the production services, network, servicer, or systems, re-tested to confirm adherence to requirements, and, finally, certified as production stable.

Note: Large system changes are treated as a Project and thus follow a more rigorous Project Management Process. The change management process is but one component of PCS's operating procedures for large project management.

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Quality Control

Quality, in all aspects of our operations, is one of the most important factors for our continued success in the day-to-day performance of our contract. Whether it's in the products proposed or the services selected, PCS strives to ensure that all expectations of the VTDOC are met or exceeded.

As evidence of our commitment to quality, PCS established a formal quality control (QC) department in 2008. Our QC Department uses the latest testing techniques from various industry quality standards, such as ITIL, TQM, Lean Six Sigma, and TL9000, to ensure PCS continues to meet or exceed customer expectations related to service quality. In particular, PCS uses a combination of manual, automated, semi-automated techniques looking at functionality, features, performance, network, and pre- and post-service quality validation. The QC team is also responsible for testing, root cause analysis, service level and change management; however, their primary function is to ensure PCS meets our quality standards.

At PCS, quality has been built into the processes by which we provide and implement service, thereby aligning how we work with the services we provide. Testing is typically managed internally by PCS staff and has been integrated within our business processes. Thus, in some cases, the QC team performs an over-site/governance role by which they ensure the appropriate testing steps are being followed, and they conduct an independent review of the results to ensure we are meeting our goals.

In so doing, PCS's QC team uses different methods to certify the quality of the telephony services being provided. The following summarizes, at a high-level, some of the techniques used to meet these objectives, together with a description of how the quality objectives are met per component:

Component	Component Details	Roles Involved (as appropriate)
PCS's Quality Assurance Framework	PCS's quality assurance framework (QAF) provides detailed guidance on PCS's quality methodology. The QAF includes four main components: quality control processes and quality control reporting, quality control infrastructure/resources, and quality management.	See roles listed in the Program Management Section of the QAF document.
Quality Control Processes	Quality control processes are the methodologies and techniques used to support PCS's corporate quality objectives.	See roles listed in the Program Management Section of the QAF document.

Service Policies and Procedures

Component	Component Details	Roles Involved (as appropriate)
Quality Control Reporting	Quality control reporting is the various system monitoring or trend analysis reports which provide a visual method for monitoring and measuring all aspects of service quality.	Quality Control IT & Ops Development Ops Network
Quality Control Infrastructure/ Resources	Quality control infrastructure/ resources include the tools, environments, QA lab, servers, people, and any additional equipment necessary to support the quality function.	Quality Control Operations
Defect Tracking	Error/defect tracking is covered under the quality assurance framework. PCS uses an industry-standard defect tracking tool and lessons learned sessions to capture, identify and enforce our change management processes related to quality assurance work flow.	Quality Control Project Management Engineering
ICM Features and Functions	Standard system testing (such as unit testing, regression testing, user acceptance testing, feature/functionality testing, etc.) is performed for ICM system changes.	Development Quality Control
Rate Testing	Rate validation testing is performed before the rate change "goes live" and after the implementation of the rate into production.	Billing Operations Quality Control
Call Detail Reports (CDRs)	Call detail reports are system-generated reports which itemize all call related details, such as BTN called, date and time each call was made, inmate PIN, cost of call, was the call monitored, cost, call type, etc.	ICM Billing Operations Quality Control
Post Implementation Testing	During new facility implementation and/or major facility changes such as a service conversion, PCS's network engineers, field services specialists, and project managers complete post-implementation testing. The results of this testing are captured in the Post Implementation Test Plan. Appropriate preventative measures and/or pre-install improvement testing techniques are also used, as needed.	Field Services Reps Project Managers Network Engineers Quality Control
Backup and Recovery Procedure	The Backup and Recovery Procedure defines the standard operating procedure and detailed work instructions needed to ensure that critical information, from	Technical Services Representatives Infrastructure



Component	Component Details	Roles Involved (as appropriate)
	system configurations to call data, is backed up appropriately.	Support
Site Infrastructure and Network Drawings	Project Managers produce a site infrastructure diagram, often referred to as a "network drawing." This provides a visual representation of a site's hardware and network configuration. The drawing includes the customer's facilities, the inmate phone systems, the circuits, bandwidth allocations, how each site is connected to the host, how the host sites are connected to PCS, etc.	Project Manager
Project Documentation	Project Managers create and maintain various project documents which are used for maintaining project tracking, cost control, and project oversight. The following are some examples of project documents: an MS project plan, an implementation plan (also known as an installation plan), a statement of work, a contracts deliverables checklist, risk registry, cost documents, project charter, user manuals, and training documents.	Project Manager Documentation Team
Pre-Installation Testing	Pre-installation testing includes both unit testing and system testing of the inmate telephone system, hardware, software, connectivity, call and prompt quality, within the test lab.	Engineering Quality Control
ITS Implementation Standard Operating Procedures (SOP)	The ITS Implementation Standard Operating Procedures provides guidelines for the project operations team in the initiation, planning, execution, monitoring, and closing of inmate telephone systems implementations. One element of the SOP is the verification of contract deliverables under which the Project Manager confirms that all of the proposed project deliverables (such as setup and equipment) will meet the contract compliance requirements.	Project Manager ITS Implementation Standard Operating Procedures (SOP)





Service Policies and Procedures

Conclusion

Quality and service are two of PCS's core success factors embedded throughout PCS's service delivery model. Though quality is baked into our overall process, we also continuously monitor and review our quality processes to verify that they are meeting our objectives and being followed. Using a combination of Service Level Management, Change Control, Project, Problem and Quality Management techniques, PCS is able to ensure the integrity of our service and day-to-day business operations. Our Quality Control team also functions in a proactive fashion, looking for possible issues, trends, and uncovering the root cause of issues to prevent potential long term problems. With our comprehensive approach, PCS is able to offer you, our customer, premier inmate telecommunications services grounded in exceptional quality of systems and service.

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Attachment H

ID	Task Name	Start	Finish	Calander Days	y 16, '10			May 23, '10			May			
					M	T	W	F	S	S	M	T	W	F
0	Project Plan	Mon 10/4/10	Fri 11/19/10	42.43 days										
1	State of Vermont Offender Phone System Upgrade	Mon 10/4/10	Fri 11/19/10	42.43 days										
2	Initiating Phase	Mon 10/4/10	Thu 10/14/10	10.25 days										
3	Contract Award from State of Vermont DOC stakeholders	Mon 10/4/10	Mon 10/4/10	1 day										
4	Initial network, and hardware configuration documented and approved	Tue 10/5/10	Wed 10/6/10	2 days										
5	Initial budget estimate documented and approved	Thu 10/7/10	Thu 10/7/10	1 day										
6	Budget and configuration approved	Fri 10/8/10	Fri 10/8/10	1 day										
7	Contract deliverables confirmed	Fri 10/8/10	Fri 10/8/10	1 day										
8	Initial project scope created	Mon 10/11/10	Mon 10/11/10	1 day										
9	Initial project charter	Mon 10/11/10	Tue 10/12/10	2 days										
10	Project assignment to project manager	Wed 10/13/10	Wed 10/13/10	1 day										
11	Circuit upgrade request placed	Thu 10/14/10	Thu 10/14/10	1 day										
12	Initiating Complete	Fri 10/15/10	Fri 10/15/10	1 day										
13	Planning Phase	Thu 10/7/10	Wed 11/10/10	31.25 days										
14	Backoffice Setup Phase I	Wed 10/13/10	Wed 11/10/10	26 days										
15	Hold Kick-off meeting	Mon 10/18/10	Mon 10/18/10	0.25 days										
16	Assign action items from kick-off meeting	Mon 10/18/10	Mon 10/18/10	0.13 days										
17	Update Sophia	Wed 10/13/10	Wed 11/10/10	26 days										
23	Update Sophia	Mon 10/18/10	Tue 10/19/10	1 day										
24	Complete configuration and ordering workbook	Mon 10/18/10	Mon 10/25/10	6.43 days										
25	Document data upgrade/transfer project scope	Mon 10/18/10	Wed 10/20/10	2 days										
26	Backoffice Setup Phase I Complete	Mon 10/25/10	Mon 10/25/10	0 days										
27	Ordering	Mon 10/25/10	Fri 11/5/10	10.25 days										
28	Order hardware for facilities	Mon 10/25/10	Thu 10/28/10	3 days										
29	Order/ print postings	Mon 10/25/10	Fri 11/5/10	10.25 days										
30	Ordering Complete	Fri 11/5/10	Fri 11/5/10	0 days										
31	Configuration and testing phase	Thu 10/7/10	Thu 11/4/10	25.43 days										
32	Action items complete	Mon 10/18/10	Thu 10/21/10	3 days										
33	Database configuration complete	Mon 10/25/10	Thu 10/28/10	3 days										
34	Development items complete	Thu 10/7/10	Wed 10/20/10	12.5 days										
35	Database configuration lab testing complete	Thu 10/28/10	Fri 10/29/10	1 day										
36	Hardware received in Dallas	Thu 10/28/10	Wed 11/3/10	5.25 days										
37	Hardware configured	Wed 11/3/10	Thu 11/4/10	1 day										
38	Hardware tested in lab	Wed 11/3/10	Thu 11/4/10	1 day										


Project: Project Plan Date: Fri 9/10/10	Task	Milestone	External Tasks
	Split	Summary	External Milestone
	Progress	Project Summary	Deadline

Attachment H

ID	Task Name	Start	Finish	Calander Days	y 16, '10			May 23, '10			May									
					M	T	W	T	F	S	S	M	T	W	T	F	S	S	M	
74	Southeast State	Mon 11/15/10	Tue 11/16/10	1 day																
75	Renovo/ Nexidia training	Mon 11/15/10	Tue 11/16/10	1 day																
76	Equipment Installation / testing - PCS	Mon 11/15/10	Tue 11/16/10	1 day																
77	System Testing / Cutover - PCS /Shawntech	Mon 11/15/10	Tue 11/16/10	1 day																
78	Southern State	Tue 11/16/10	Thu 11/18/10	2 days																
79	Renovo/ Nexidia training	Tue 11/16/10	Wed 11/17/10	1 day																
80	Equipment Installation/ testing - PCS	Wed 11/17/10	Thu 11/18/10	1 day																
81	System Testing / Cutover - PCS /Shawntech	Wed 11/17/10	Thu 11/18/10	1 day																
82	Marble Valley Regional	Thu 11/18/10	Fri 11/19/10	1 day																
83	Renovo/ Nexidia training	Thu 11/18/10	Fri 11/19/10	1 day																
84	Equipment Installation/ testing - PCS	Thu 11/18/10	Fri 11/19/10	1 day																
85	System Testing / Cutover - PCS /Shawntech	Thu 11/18/10	Fri 11/19/10	1 day																
86	Installation Phase Complete	Fri 11/19/10	Fri 11/19/10	0 days																
87	Closing Phase	Fri 11/19/10	Fri 11/19/10	0.25 days																
88	Customer sign-off and acceptance	Fri 11/19/10	Fri 11/19/10	0.25 days																
89	Closing Phase Complete	Fri 11/19/10	Fri 11/19/10	0 days																

Project: Project Plan
Date: Fri 9/10/10

Task 

Milestone 

External Tasks 


Split 

Summary 

External Milestone 

Progress 

Project Summary 

Deadline 



Attachment I
Commissary/Inmate Accounting System Project Plan Timeline

Vermont DOC Inmate Banking / Commissary / Secure Deposits High Level Implementation Plan

October		Milestone	Description	Outcome	Participants			
Begin	End				Keefe	PCS	Prior Vendor	VT DOC
10/1	10/1	Plan Review / Project Kickoff	First implementation meeting following completed contract	Review/Confirmation of Preliminary Project Milestones, Determine Project participants / roles	x	x		x
10/4	10/7	Overview and Configuration Specifications	Introduction and demonstration of system features	Determination of configurable items such as chart of accounts, Bank information, High Level Interfaces, Authorized Users, debit release, phone IVR, direct debit, online deposit profile, network, user interface, data migration, marketing materials for online deposits, phone direct debit, web product sales	x	x		x
10/7	10/12	Design Specifications	Finalization of designs for configuration and engineering	Detailed Interface Specifications with Projected Timelines - Presentation of prototype system with all configurable attributes set per VT DOC specifications	x	x		x
10/8	10/15	Provisioning	Procurement of Servers, Software, telephony equipment, Internet circuit, hosting services	Delivery and configuration of Equipment and related network/infrastructure Services	x	x		
10/13	10/20	Interface Development	Coding and Testing of Interfaces	Completed Interfaces	x	x		x
10/21	10/22	Data Migration	Sample data migration and presentation	Trial Run of data migration plan with sample reconciliation	x		x	x

Vermont DOC Inmate Banking / Commissary / Secure Deposits High Level Implementation Plan

October		Milestone	Description	Outcome	Participants			
Begin	End				Keefe	PCS	Prior Vendor	VT DOC
10/21	10/22	Installation	Spin up of equipment, software services, network, telephony, end-user settings	Operational system pending final testing	x	x		
10/25	10/27	System Testing	End to end testing of transactions, interfaces, services	Fully functional system and confirmation of 'go-live' date	x	x		x
10/25	Ongoing as needed	Staff Training	End user and administrator Training	Completion of Training and publication of customized training guides as needed	x			x
11/1	Ongoing as needed	Inmate Training	Inmate Training as needed for telephony / kiosk use	Completion of Training and publication of customized training guides as needed	x			x
11/1	11/1	Public Training	Review of Marketing materials as needed for online deposits, web product sales, telephone options	Completion and distribution of public training / marketing materials	x	x		x
11/1	11/1	Go-Live	Data Migration, and introduction of all services	Activation and use of all system components	x	x		x