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# CONTRACT AMENDMENT NO. 6
# BUTTE PRE-RELEASE CENTER
# CONTRACT NO: 06-052-ACCD

This CONTRACT AMENDMENT No. 6 amends the above-referenced contract between the **State of Montana, Department of Corrections** (State), whose address and phone number are P.O. Box 201301, 5 South Last Chance Gulch, Helena, MT 59620-1301, (406) 444-3930 and **Community, Counseling and Correctional Services, Inc.**, (Contractor), whose address and phone number are 471 East Mercury St, Butte, MT 59701, (406) 782-0471. This Contract is amended for the following purpose(s):

WHEREAS, the State of Montana, Department of Corrections is hereinafter referred to as "State" rather than "Department", in the opening paragraph, all references in the original contract, and all previous amendments.

1) In accordance with Section 1.G., of the above referenced contract, entitled Compensation/Billing, the parties mutually agree to changes in subsections 1.G.1.a, 1.G.1.b, and 1.G.1.d. to reflect rate increases for FY 2022 and FY 2023. **(deleted language is interlined and followed by new language which is underlined)**.

   **1.G.1.a. Total contract amount.** ~~The maximum contract price contained in section G. 1. a. of the contract is AMENDED as follows for **FY 2020 (July 1, 2019 – June 30, 2020).** Contract Maximum reimbursement shall not exceed **$3,922,290** (three million nine hundred twenty-two thousand two hundred ninety and 00/100). For **FY 2021 (July 1, 2020 – June 30, 2021)** Contract Maximum reimbursement shall not exceed **$3,863,141** (three million eight hundred sixty-three thousand one hundred forty-one and 00/100).~~ The contract maximum amount includes all compensation noted in this contract except transitional assistance funding.

   **1.G.1.a. Total contract amount.** For State Fiscal Year **2022 (July 1, 2021 – June 30, 2022)** the contract maximum value is **$3,906,422** (three million nine hundred six thousand four hundred twenty-two and 00/100 dollars). For State Fiscal Year **2023 (July 1, 2022 – June 30, 2023)** the contract maximum value is **$3,944,309** (three million nine hundred forty-four thousand three hundred nine and 00/100 dollars). The contract maximum amount includes all compensation noted in this contract except transitional assistance funding.

   **1.G.1.b. Offender Per Diem Rates.** ~~**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**~~ **Butte Prerelease- Male:** For the contract period ~~**FY 2020**~~, ~~DEPARTMENT~~ will pay ~~CONTRACTOR~~ a per diem rate of ~~**$53.24** (fifty-three and 24/100 dollars)~~ per offender, per day. For the contract period **FY ~~2021~~,** ~~DEPARTMENT~~ will pay ~~CONTRACTOR~~ a per diem rate of ~~**$54.21** (fifty-four and 21/100 dollars)~~ per offender, per day. Program capacity at the Butte Prerelease Male facility is one hundred ~~and~~ twenty (120) male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred ~~and~~ twenty (120) beds for the contract year.

   ~~**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**~~ **Women's Transition Center - Female:** For the contract period ~~FY 2020, DEPARTMENT~~ will pay ~~CONTRACTOR~~ a per diem rate of ~~**$62.52** (sixty-two and 52/100 dollars)~~ per offender, per day. For the contract period ~~**FY 2021**~~, ~~DEPARTMENT~~ will pay ~~CONTRACTOR~~ a per diem rate of ~~**$63.66** (sixty-three and 66/100 dollars)~~ per offender, per day. Program capacity at the Women's Transition Center Female facility is fifty-five (55)

female prerelease beds, with maximum compensation calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

~~**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**~~ ~~DEPARTMENT~~ agrees to purchase five (5) female sanction/hold beds as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of ~~**$50.46** (fifty and 46/100)~~ per offender, per day for ~~**FY 2020**~~ and ~~**$51.38** (fifty-one and 38/100)~~ for ~~**FY 2021**~~ per offender, per day. If ~~CONTRACTOR~~ is unable to fill all of the sanction beds, the beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.

**1.G.1.b. Offender Per Diem Rates. FY 2022 (July 1, 2021 – June 30, 2022)** and **FY 2023 (July 1, 2022 – June 30, 2023) Butte Prerelease- Male:** For the contract period **FY 2022**, State will pay Contractor a per diem rate of **$54.75** (fifty-four and 75/100 dollars) per offender, per day. For the contract a period **FY 2023,** State will pay Contractor a per diem rate of **$55.30** (fifty-five and 30/100 dollars) per offender, per day. Program capacity at the Butte Prerelease Male facility is one hundred twenty (120) male prerelease beds, with maximum compensation calculated at an Average Daily Population of one hundred twenty (120) beds for the contract year.

**FY 2022 (July 1, 2021 – June 30, 2022) and FY 2023 (July 1, 2022 – June 30, 2023) Women's Transition Center - Female:** For the contract period **FY 2022**, State will pay Contractor a per diem rate of $**64.30** (sixty-four and 30/100 dollars) per offender, per day. For the contract period **FY 2023**, State will pay Contractor a per diem rate of **$64.94** (sixty-four and 94/100 dollars) per offender, per day. Program capacity at the Women's Transition Center Female facility is fifty-five (55) female prerelease beds, with maximum compensation calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

**FY 2022 (July 1, 2021 – June 30, 2022) and FY 2023 (July 1, 2022 – June 30, 2023)** State agrees to purchase five (5) female sanction/hold beds as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of **$51.89** (fifty-one and 89/100) per offender, per day for **FY 2022** and **$52.41** (fifty-two and 41/100) for **FY 2023** per offender, per day. If Contractor is unable to fill all of the sanction beds, the beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.

**1.G.1.d. Position Compensation (nurse, mental health).** ~~**DEPARTMENT**~~ **shall pay** ~~**CONTRACTOR**~~ **a one-time payment of** ~~**sixty-two thousand and 00/100 dollars ($62,000.00)**~~ **per fiscal year,** for no less than forty (40) hours per week of service from a registered nurse. The amount of payment for this service will be pro-rated, should nursing service ~~not~~ be available for an entire fiscal year. Should ~~CONTRACTOR~~ provide sick call, ~~CONTRACTOR~~ must comply with all applicable laws and regulations regarding practices of nursing and medicine.

~~DEPARTMENT~~ shall pay ~~CONTRACTOR~~ for actual utilization and delivery of mental health services provided in accordance with ACCD 4.5.200 Healthcare Responsibilities. Payment will be based upon current Medicaid rates, not to exceed ~~**$55,000.00** (fifty-five thousand and 00/100 dollars)~~ annually.

**1.G.1.d. Position Compensation (nurse, mental health). State shall pay Contractor a one-time payment of sixty-five thousand one hundred and 00/100 dollars ($65,100.00) per fiscal year,** for no less than forty (40) hours per week of service from a registered nurse. The amount of payment for this service will be pro-rated, should nursing service be unavailable for an entire fiscal year. Should Contractor provide sick call, Contractor must comply with all applicable laws and regulations regarding practices of nursing and medicine.

State shall pay Contractor for actual utilization and delivery of mental health services provided in accordance with ACCD 4.5.200 Healthcare Responsibilities. Payment will be based upon current Medicaid rates, not to exceed **$57,750.00** (fifty-seven thousand seven hundred fifty and 00/100 dollars) annually.

Except as modified above, all other terms and conditions of Contract No. **06-052-ACCD, including Amendments #1 through #5,** remain unchanged.

**STATE OF MONTANA**
**Montana Department of Corrections**
**5 S. Last Chance Gulch**
**Helena, MT 59601**

DocuSigned by:
Megan Coy 6/17/2022
81BB6FEEC95846B...
Megan Coy, Bureau Chief (Date)
Community Corrections Facilities
and Programs Bureau

**CCCS, INC.**
**471 Mercury St.**
**Butte, MT 59701**
**Federal Tax ID: 81-0413419**

DocuSigned by:
Mike Thatcher 6/16/2022
887ECE8E425C4D2...
Mike Thatcher, CEO (Date)

Approved as to Form:

DocuSigned by:
Carleen Green 6/16/2022
B15D8BA0850A493...
Carleen Green, Contracts Manager (Date)
Financial Services Bureau

Approved as to Legal Content:

DocuSigned by:
6/15/2022
41E915492B274F4...
Molenda McCarty, Legal Counsel (Date)
Legal Services Bureau

# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 20

THIS CONTRACT AMENDMENT (**Amendment #5**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) P.O. Box 201301, 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701.

WHEREAS, ESP and TLP services were eliminated from the parties' underlying contract when new contracts were awarded in a competitive procurement process for a reconfigured version of those services; and

WHEREAS, the elimination of ESP and TLP services from this contract was made subject to a "wind down period" for which no funds were contractually allocated due to impossibility of predicting usage of the services during the "wind down period"; and

WHEREAS, in Amendment # 4, the parties agreed that when the wind down period closed and DOC's per diem obligation became known, DOC would by amendment, increase the maximum contract price by the exact amount of the per diem obligation that DOC had incurred during the wind down period;

NOW THEREFORE, the parties agree to amend this Community, Counseling and Correctional Services, Inc. Pre-Release Center (PRC) Contract as follows **(new language underlined, old language interlined)**:

> The maximum contract price contained in section G. 1. a. of the contract is AMENDED as follows for **FY 2020 (July 1, 2019 – June 30, 2020).** Contract Maximum reimbursement shall not exceed **$3,922,290** (three million nine hundred twenty-two thousand two hundred ninety and 00/100) ~~$3,806,170 (three million eight hundred six thousand one hundred seventy and 00/100.~~

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

DocuSigned by:
Megan Coy
81BB6FEFC95846B...

6/2/2020

Megan Coy, Bureau Chief
Programs and Facilities Bureau

Date

**CONTRACTOR**

DocuSigned by:
Mike Thatcher
887ECE8E425C4D2...

6/1/2020

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

Date

**REVIEWED FOR LEGAL CONTENT BY:**

DocuSigned by:
Lorraine Schneider
50C1253B257B4D4...

5/28/2020

Legal counsel
Department of Corrections

Date

**REVIEWED AS TO FORM BY:**

DocuSigned by:
Pat Schlauch
8737BA31A5794F3...

5/28/2020

Pat Schlauch, Contract officer
Department of Corrections

Date

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# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 20

THIS CONTRACT AMENDMENT (**Amendment #4**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) P.O. Box 201301, 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701 and is effective upon receipt of all signatures on this CCCS Pre-Release Center contract amendment ***and on*** ETSS Contract # COR2019-0202N-4.

WHEREAS, the parties have entered a Contract with an original effective date of July 1, 2005 and Section 1T provides that the parties may modify their agreement in writing; and

WHEREAS, Section B (4) provides that the parties may negotiate the terms of this contract every two years.

WHEREAS, DEPARTMENT changed its approach to delivering Transitional Living Program (TLP) and Enhanced Supervision Program (ESP) services, resulting in elimination of those services from this CCCS Pre-Release Contract 06-052-ACCD Revised FY – 19 and the award of a new contract to CONTRACTOR for the reconfigured services included in the Enhanced/Transitional Supervision Services (ETSS) Contract COR2019-0202N-4.

NOW THEREFORE, the parties agree to amend this CCCS Pre-Release Center (PRC) Contract as follows:

CONTRACTOR agrees to cease accepting new offenders into TLP program as of October 31, 2019.

CONTRACTOR agrees to cease ESP services under the PRC contract and to transfer existing offender participants to the ETSS program (COR2019-0202N-4) as of the effective date of this contract amendment. Any and all minimum guarantee related to the ESP program under the PRC contract will have no further applicability, force, or effect as of the effective date of this contract amendment.

NOW THEREFORE, the parties further agree to amend Contract #06-052-ACCD as follows **(new language underlined, old language interlined)**:

G. Compensation/Billing

1. Compensation:

a. Total contract amount

**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**
Contract Maximum reimbursement shall not exceed **$3,806,170** (three million eight hundred six thousand one hundred seventy and 00/100) for **FY 2020** and **$3,863,141** (three million eight hundred sixty-three thousand one hundred forty-one and 00/100) for **FY 2021**. The contract maximum amount includes all compensation noted in this contract except transitional assistance funding. Due to the wind down period for ESP and TLP services in FY2020, the contract maximum for FY2020 will be increased by contract amendment no later than April 1, 2020 by an amount equal to the actual compensation paid in FY2020 for TLP and ESP services.

~~FY –2017 (July 1, 2016 – June 30, 2017) 2018 and 2019 (July 1, 2017 – June 30, 2019~~
~~Contract Maximum reimbursement shall not exceed $3,987,708 annually for the contract~~

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~~period beginning July 1, 2017 and ending June 30, 2019. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.~~

b. Offender per diem rates

2.

**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**
**Butte Prerelease- Male:** For the contract period **FY 2020**, DEPARTMENT will pay CONTRACTOR a per diem rate of **$53.24** (fifty-three and 24/100 dollars) per offender, per day. For the contract period **FY 2021,** DEPARTMENT will pay CONTRACTOR a per diem rate of **$54.21** (fifty-four and 21/100 dollars) per offender, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty (120) male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

~~FY – 2017 (July 1, 2016 – June 30, 2017) FY – 2018 and 2019 (July 1, 2017 – June 30, 2019~~

~~Butte Prerelease- Male: For the contract period beginning July 1, 2016 2017 and ending June 30, 2017 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of $53.03 (Fifty-three and 03/100 dollars) $52.76 (Fifty-two and 76/100 Dollars) per offender, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty (120) male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.~~

**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**
**Women's Transition Center - Female:** For the contract period FY 2020, DEPARTMENT will pay CONTRACTOR a per diem rate of **$62.52** (sixty-two and 52/100 dollars) per offender, per day. For the contract period **FY 2021**, DEPARTMENT will pay CONTRACTOR a per diem rate of **$63.66** (sixty-three and 66/100 dollars) per offender, per day. Program capacity at the Women's Transition Center Female facility is fifty-five (55) female prerelease beds, with maximum compensation calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

~~Women's Transition Center - Female: For the contract period beginning July 1, 2016 2017 and ending June 30, 2017 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of $62.27 (Sixty-two and 27/100 dollars) $61.96 (Sixty-one and 96/100 Dollars) per offender, per day. Program capacity at the Women's Transition Center Female facility is fifty-five (55) female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.~~

The daily per diem rate paid to CONTRACTOR for transitional living program (TLP) services – provided in accordance with Section 2 (C)(8) of this Agreement is ~~$21.74~~ **$21.94 per offender, per day for** ~~FY 2018~~ **the period starting July 1, 2019 and ending January 31, 2020.** ~~maintain twenty (20) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.~~

The daily per diem rate paid to CONTRACTOR for enhanced supervision program (ESP) services – provided in accordance with Section 2(C)(9) of this Agreement – is $**15.67 per offender, per day for** ~~FY 2018~~ **the period starting July 1, 2019 and ending upon effective date of this PRC contract amendment.** ~~per offender, per day for FY 2016 and~~

~~$15.61 per offender, per day for FY 2017 $15.53 per offender, per day for FY2018 and FY 2019, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times. The maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.~~ CONTRACTOR will collect $5.00 per day, ~~per offender, for which ESP services are rendered~~ from each offender for whom ESP services were rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender from whom CONTRACTOR collects ~~from~~ that sum. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT ~~via~~ by monthly invoice.

**FY 2020 (July 1, 2019 – June 30, 2020) and FY 2021 (July 1, 2020 – June 30, 2021)**

DEPARTMENT agrees to purchase five (5) female sanction/hold beds as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of **$50.46** (fifty and 46/100) per offender, per day for **FY 2020** and **$51.38** (fifty-one and 38/100) for **FY 2021** per offender, per day. If CONTRACTOR is unable to fill all of the sanction beds, the beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.

~~DEPARTMENT agrees to purchase five (5) female sanction/hold beds as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of $50.00 per offender, per day for FY 2018 and FY 2019. If CONTRACTOR is unable to fill all of these sanction beds, these beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.~~

CONTRACTOR shall not exceed the combined capacity level for the facility except as provided in this paragraph. Capacity levels between male and female ~~TLP, and ESP~~ beds~~/slots~~ listed above may be adjusted within the combined capacity total to account for occasional population fluctuations. ~~However,~~ CONTRACTOR may only exceed the combined capacity level ~~by five (5) prerelease beds or~~ by 5% of the combined capacity number within a 30-day period. The DEPARTMENT, ~~at its discretion~~, may request that the CONTRACTOR exceed its capacity level by ~~more than 5 beds or~~ 5% of the combined capacity number, ~~whichever is greater,~~ based on population needs or other need identified by the DEPARTMENT. Any adjustments to account for population fluctuations in accordance with this paragraph shall not result in an increase to the total contract maximum for each fiscal year as stated in G. 1. a. of this contract.

## 3. Program Requirements and Design

A. – B. No Changes

C. Programming and Curriculum (Specific to RFP or Previous Contracts)

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1. – 7. No Changes

8. ~~Transitional Living Program (TLP)~~

   ~~CONTRACTOR must follow ACCD 5.1.201 Transitional Living Program for Adult Offenders.~~

9. ~~Enhanced Supervision Program (ESP)~~

   ~~CONTRACTOR must follow ACCD 5.1.204 Enhanced Supervision Program.~~

~~10.~~ – 11. No Changes

12. Sanction Programs~~:~~

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

DocuSigned by:
Megan Coy
81B86EFC95846B...

9/20/2019

Megan Coy, Bureau Chief
Programs and Facilities Bureau

Date

**CONTRACTOR**

DocuSigned by:
Mike Thatcher
887ECE9E425G4D2...

9/19/2019

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

Date

Reviewed for Legal Content by:

DocuSigned by:
Lorraine Schneider
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9/10/2019

Legal Counsel
Department of Corrections

Date

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# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 16

THIS CONTRACT AMENDMENT (**Amendment #3**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701 and is effective upon receipt of all signatures.

WHEREAS, the parties have entered a Contract with an original effective date of July 1, 2005 and Section P provides that the parties may modify their agreement in writing; and

WHEREAS, Section B(4) provides that the parties may negotiate the terms of this contract every two years.

NOW THEREFORE, the parties agree to amend the Contract as follows **(new language underlined, old language interlined)**:

G. Compensation/Billing

1. Compensation:

a. Total contract amount

**FY ~~2017 (July 1, 2016 – June 30, 2017)~~ 2018 and 2019 (July 1, 2017 – June 30, 2019**
Contract Maximum reimbursement shall not exceed **$3,989,708** annually for the contract period beginning July 1, 2017 and ending June 30, 2019. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

b. Offender per diem rates

**FY ~~2017 (July 1, 2016 – June 30, 2017)~~ FY – 2018 and 2019 (July 1, 2017 – June 30, 2019**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2016~~ 2017 and ending June 30, ~~2017~~ 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$53.03 (Fifty-three and 03/100 dollars)~~ $52.76 (Fifty-two and 76/100 Dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2016~~ 2017 and ending June 30, ~~2017~~ 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$62.27 (Sixty-two and 27/100 dollars)~~ $61.96 (Sixty-one and 96/100 Dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** – provided in accordance with Section 2 (C)(8) of this Agreement – **~~is $21.42 per offender, per day for FY 2016 and $21.85 per offender, per day for FY 2017~~ $21.74 per offender, per day for FY 2018 and FY 2019.** CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to

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CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** – provided in accordance with Section 2(C)(9) of this Agreement – is ~~**$15.30 per offender, per day for FY 2016 and $15.61 per offender, per day for FY 2017**~~ **$15.53 per offender, per day for FY2018 and FY 2019**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times. The maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

DEPARTMENT agrees to purchase five (5) female **sanction/hold beds** as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of **$50.00 per offender, per day for FY 2018 and FY 2019.** If CONTRACTOR is unable to fill all of these sanction beds, these beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.

CONTRACTOR shall not exceed the combined capacity level for the facility. Capacity levels between male, and female, TLP, and ESP beds/slots listed above may be adjusted within this combined capacity total to account for occasional population fluctuations. However, CONTRACTOR may only exceed the combined capacity level by five (5) prerelease beds or slots (including prerelease, TLP, or ESP), or 5% of the combined capacity number, whichever is greater, within a 30 day period. The DEPARTMENT, at its discretion, may request the CONTRACTOR exceed its capacity level by more than 5 beds or 5% of the combined capacity number, whichever is greater, based on population needs, or other need identified by the DEPARTMENT.

~~f. CONTRACTOR shall maintain a male population consistency of 50% institutional offenders based on a 95% occupancy rate of total contracted male beds. To determine the male offender population consistency percentage, only male resident beds will be considered. Transitional Living and Enhanced Supervision will not be included in this figure. DEPARTMENT will conduct random audits to determine if CONTRACTOR is maintaining a male population consistency of 50% institutional offenders based on a 95% occupancy rate. If the institutional offender population consistency falls below 50% of the occupancy rate for three (3) consecutive months, with adequate referrals from the DEPARTMENT, DEPARTMENT will deduct 2% off the current per diem rate on the fourth month to continue on a month to month basis until CONTRACTOR regains the required population consistency. If it is determined DEPARTMENT is not providing at least 50% institutional referrals, CONTRACTOR will not be penalized.~~

**2. Program Requirements and Design**

A. – B. No Changes

C. Programming and Curriculum (Specific to RFP or Previous Contracts)

1. – 11. No Changes

12. Sanction Programs

~~Not applicable.~~
CONTRACTOR must follow ACCD 3.4.201 PRC Sanction Beds.

17. Evidence Based Practices (EBP)

a. All programming and treatment delivered to offenders shall adhere to evidence-based or research-driven practices and shall be subject to ongoing quality assurance and evaluation to ensure fidelity to delivery standards.

b. All programming and treatment shall be delivered by appropriately trained personnel as required by delivery standards.

c. CONTRACTOR will submit an annual report during the month of July to the Facilities Contract Manager that describes current treatment and programming available within the facility and through referral to offenders.

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

DocuSigned by:
Kevin Olson
0F69E730A0EA445...

6/19/2018

Kevin Olson, Administrator
Probation and Parole Division

Date

**CONTRACTOR**

DocuSigned by:
Mike Thatcher
B78D019236194D6...

6/28/2018

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

Date

Reviewed for Legal Content by:

DocuSigned by:
Lorraine Schneider
50C1253B257B4D4...

6/19/2018

Legal Counsel
Department of Corrections

Date

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No Records for Amendment #2

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# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 14

THIS CONTRACT AMENDMENT (**Amendment #1**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701 and is effective upon receipt of all signatures.

WHEREAS, the parties have entered a Contract with an original effective date of July 1, 2005 and Section P provides that the parties may modify their agreement in writing; and

WHEREAS, Section B(4) provides that the parties may negotiate the terms of this contract every two years.

NOW THEREFORE, the parties agree to amend the Contract as follows **(new language underlined, old language interlined)**:

G. Compensation/Billing

1. Compensation:

a. Total contract amount

**FY – ~~2014 (July 1, 2013 – June 30, 2014)~~ 2016 (July 1, 2015 – June 30, 2016)**
Contract Maximum reimbursement shall not exceed **~~$3,702,687~~ $3,853,329** for the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

**FY – ~~2015 (July 1, 2014 – June 30, 2015)~~ 2017 (July 1, 2016 – June 30, 2017)**
Contract Maximum reimbursement shall not exceed **~~$3,769,974.75~~ $3,917,661** for the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

b. Offender per diem rates

**FY – ~~2014 (July 1, 2013 – June 30, 2014)~~ 2016 (July 1, 2015 – June 30, 2016)**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$49.97 (forty-nine and 97/100 dollars)~~ $51.99 (Fifty-one and 99/100 dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$58.68 (fifty-eight and 68/100 dollars)~~ $61.05 (Sixty-one and 05/100 dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

**FY – ~~2015 (July 1, 2014 – June 30, 2015)~~ 2017 (July 1, 2016 – June 30, 2017)**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$50.97 (Fifty and 97/100 dollars)~~ $53.03 (Fifty-three and 03/100 dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$59.85 (fifty-nine and 85/100 dollars)~~ $62.27 (Sixty-two and 27/100 dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** – provided in accordance with Section 2 (C)(8) of this Agreement – is **~~$21.00~~ $21.42 per offender, per day for FY 2016 and $21.85 per offender, per day for FY 2017**. CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** – provided in accordance with Section 2(C)(9) of this Agreement – is **~~$15.00~~ $15.30 per offender, per day for FY 2016 and $15.61 per offender, per day for FY 2017**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times. The maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

Kevin Olson, Administrator
Probation and Parole Division

7/15/15
Date

**CONTRACTOR**

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

7/15/15
Date

Reviewed for Legal Content by:

Legal Counsel
Department of Corrections

7/15/15
Date

# Butte Prerelease

## 1. Standard Contract Terms

A. Parties

The Montana Department of Corrections (DEPARTMENT) and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) enter into this Contract **(06-052-ACCD Revised FY - 14)** for services. The parties mailing addresses, and telephone numbers, are as follows:

Montana Department of Corrections
Adult Community Corrections Division
5 South Last Chance Gulch
PO Box 201301
Helena MT 59620-1301
(406) 444-3930

**Community, Counseling, and Correctional Services, Inc. (CCCS)**
**471 East Mercury**
**Butte, MT 59701**
**(406) 782-0417**

**DEPARTMENT AND CONTRACTOR, AS PARTIES TO THIS CONTRACT AND FOR THE CONSIDERATION SET FORTH BELOW, AGREE AS FOLLOWS:**

**This Contract shall replace the previous Contract (#06-052-ACCD) in its entirety upon receipt of signatures by all parties.**

B. Time of Performance

1. This Contract shall take effect July 1, 2005 and shall terminate on June 30, 2025, unless terminated earlier in accordance with the terms of this Contract.

2. Upon expiration of this Contract, and in the absence of a new written agreement, the terms listed herein shall continue to govern the agreement between the parties until such time as a new Contract is signed.

3. It is understood and agreed that this Contract is dependent upon appropriation of funds for this Contract by the Montana Legislature. Further, the parties recognize that the act of appropriation is a legislative act. DEPARTMENT agrees to take such action as is necessary under the laws applicable to the State to timely and properly budget for and request the appropriation of funds from the Legislature of the State of Montana which will permit DEPARTMENT to make all payments required under this Contract.

4. On or about May 1, 2011, and every two years thereafter during the term of this Contract, the parties will arrange to meet to negotiate the terms of this contract for the succeeding two year period.

C. Liaisons and Notice

In order to effectively administer this contract, each party has appointed the following contract persons:

1. The Contact Persons for DEPARTMENT are:

| | |
|---|---|
| Operational Issues: | Adult Community Corrections Division Administrator or designee |
| Contract Issues: | Prerelease Contract Manager |
| Notice/Litigation: | Chief General Counsel |
| Emergency Contact: | Prerelease Contract Manager |

2. The Contact Persons for CONTRACTOR are:

| | |
|---|---|
| Operational Issues: | CCCS Program Administrator |
| Contract Issues: | CCCS Chief Executive Officer |
| Notice/Litigation: | CCCS Chief Executive Officer |

Replacement of the positions identified herein shall be accomplished by written notice to the other party. All notices, reports, billings, and correspondence to the respective parties of this Contract shall be sent to the attention of the appropriate person in the positions listed above.

D. Access to Records – Offender Records/Files/OMIS access

CONTRACTOR must follow ACCD 1.5.500 Case Records Management and ACCD 1.5.600 Offender Records Access and Release. CONTRACTOR will follow ACCD 1.7.100 OMIS Access for Contract Facilities.

CONTRACTOR agrees to provide offender information to the Department through the Offender Management Information System (OMIS) by following ACCD 1.7.200 OMIS Entry. The DEPARTMENT will be responsible for the training and procedural guidelines of information in this procedure that must be entered into the system.

E. Access to Facility

With reasonable notice, DEPARTMENT employees, the Legislative Auditors Office, the Governor's Office, the Board of Pardons and Parole, and members of the Legislature shall have access to the Facility to allow for observation of the Program and its operation.

CONTRACTOR agrees to provide DEPARTMENT, the Legislative Auditor, or their authorized agents with access to any records necessary to determine Contract compliance (Ref. 18-1-118, MCA). Access shall include, but not be limited to; program and financial records, CONTRACTORS staff, and offenders housed in the Facility. All such persons desiring access to the Facility shall be subject to CONTRACTOR'S routine security inspection. CONTRACTOR shall be given reasonable advance notice to accommodate organized tours of the Facility.

F. Emergency Preparedness

1. CONTRACTOR must follow DOC 3.2.1 Emergency Management, DOC 3.2.1 Emergency Operations Plan, and ACCD 3.2.100 ACCD Facility Escapes/Walk-Aways. CONTRACTOR shall maintain written procedures to provide for the continued operation of the program in the event of an employee work stoppage, emergency, or disaster. The procedures shall include, but not be limited to: assignment of tasks and responsibilities, instructions for the use of alarm systems, notification of authorities, use of special emergency equipment, and specifications of escape routes and procedures. The emergency evacuation routes shall be posted at highly visible locations and explained to each

new offender at orientation. The Facility shall conduct and maintain documentation of quarterly drills and evaluate the effectiveness of disaster procedures.

2. In compliance with MDOC Policy 3.2.1, Emergency Management, CONTRACTOR must have a written Emergency Operations Plan and Continuity of Operation Plan that are in compliance with the National Incident Management System, Incident Command System and the DEPARTMENT'S Emergency Operations Plan and Continuity of Operation Plan. These plans must be approved by DEPARTMENT.

3. CONTRACTOR must have a written Contingency Plan approved by DEPARTMENT that addresses the following:

    a. An identified alternate location for offenders to reside temporarily for approximately a ninety (90) day duration, that provides adequate life support resources (i.e. food, shelter, water, personal hygiene) in the event of a natural or man-made event (i.e. earthquake, wildfire, prolonged/catastrophic utility failure, etc.) which renders the facility uninhabitable.

4. Work stoppage

    CONTRACTOR shall develop and maintain an emergency plan that addresses staffing during sick outs, strikes, and work stoppages at the Program and shall notify Local law enforcement personnel and the Prerelease Contract Manager or designee once it becomes apparent that the Butte Prerelease Center may become or, actually becomes, subject to a sick out, strike, or work stoppage.

5. Use of force

    Use of force by CONTRACTOR employees shall be consistent with MDOC Policies, 3.1.8 Use of Force and Restraints and ACCD 3.1.800 Use of Force; and MDOC 3.1.17 Searches and Contraband Control and ACCD 3.1.17 Searches and Contraband Control.

    The use or possession of firearms or gases for control of offenders will be consistent with state law and MDOC policies and procedures. Additionally, all such items will be prohibited at the facility except by local law enforcement and MDOC officials. The Butte Prerelease Program will have appropriate storage for firearms, etc. that may be brought on-site by local law enforcement personnel or transport officials.

6. Assumed control/Emergency Operation of Facility by CONTRACTOR and/or DEPARTMENT

    CONTRACTOR shall submit a detailed plan [to DEPARTMENT for review and approval] that identifies how the facility/program will cooperatively work with other jurisdictions to effectively coordinate the continuity of operations of the facility/program in the event of an emergency, consistent with federal guidelines.

    The plan shall address offender disturbances, employee work stoppages, strikes, weather-related damages, or other serious events as outlined in DOC Policy 3.2.1 Emergency Management.

    The plan shall also address the assumption of operations of the program or facility by DEPARTMENT in the event of CONTRACTOR'S bankruptcy or financial insolvency or if CONTRACTOR is unable to operate the facility.

G. Compensation/Billing

DEPARTMENT agrees to pay a daily per diem rate where "daily" means each day, or part of a day, including the first but not the last day of program participation/confinement. This applies to each subsection listed under Section G (1) below. For subsequent negotiations, DEPARTMENT will compensate CONTRACTOR at new negotiated rates effective July 1st of the beginning of the Fiscal Year if a new contract amendment has been signed by all the parties. The parties may extend final Contract signature to July 31st if there are extenuating circumstances (e.g. special sessions, pending legal opinion, or per statutory effective date). Contract approval will not be unreasonably withheld by either party. Should there be extenuating circumstances beyond July 31st, DEPARTMENT will pay the new negotiated rates to CONTRACTOR beginning on the first day of the month following the date of the last signature. If the parties cannot agree to the Contract terms by July 31st, the parties will resolve the impasse with mediation and the cost of mediation will be split equally between the parties. DEPARTMENT shall compensate CONTRACTOR for successful delivery of the services provided pursuant to Contract in the following manner:

1. Compensation:

   a. Total contract amount

      **FY – 2014 (July 1, 2013 – June 30, 2014)**
      Contract Maximum reimbursement shall not exceed **$3,702,687.00** for the contract period beginning July 1, 2013 and ending June 30, 2014. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

      **FY – 2015 (July 1, 2014 – June 30, 2015)**
      Contract Maximum reimbursement shall not exceed **$3,769,974.75** for the contract period beginning July 1, 2014 and ending June 30, 2015. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

   b. Offender per diem rates

      **FY – 2014 (July 1, 2013 – June 30, 2014)**

      **Butte Prerelease - Male:** For the contract period beginning July 1, 2013 and ending June 30, 2014, DEPARTMENT will pay CONTRACTOR a per diem rate of **$49.97** (forty-nine and 97/100 dollars) **per offender**, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

      **Women's Transition Center - Female:** For the contract period beginning July 1, 2013 and ending June 30, 2014, DEPARTMENT will pay CONTRACTOR a per diem rate of **$58.68** (fifty-eight and 68/100 dollars) **per offender**, per day. Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

**FY – 2015 (July 1, 2014 – June 30, 2015)**

**Butte Prerelease - Male:** For the contract period beginning July 1, 2014 and ending June 30, 2015, DEPARTMENT will pay CONTRACTOR a per diem rate of **$50.97** (fifty and 97/100 dollars) **per offender**, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensations calculated at an Average Daily Population of one hundred and twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, 2014 and ending June 30, 2015, DEPARTMENT will pay CONTRACTOR a per diem rate of **$59.85** (fifty-nine and 85/100 dollars) **per offender**, per day. Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five **(55)** beds for the contract year.

DEPARTMENT shall pay CONTRACTOR for transportation layovers at the current year's PRC per diem rate. Payments made for transportation layovers will not be counted towards the maximum amount paid under the contract in section 1(G)(1)(a), and will not count towards contract capacity.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** provided in accordance with Section 2 (C)(8) of this Agreement is **$21.00 per offender, per day**. CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** provided in accordance with Section 2(C)(9) of this Agreement is **$15.00 per offender, per day**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

CONTRACTOR shall not exceed the combined capacity level for the facility. Capacity levels between male, female, TLP, and ESP beds/slots listed above may be adjusted within this combined capacity total to account for occasional population fluctuations. However, CONTRACTOR may only exceed the combined capacity level by five (5) beds or slots (including prerelease, TLP, or ESP), or 5% of the combined capacity number, whichever is greater, within a 30 day period. The DEPARTMENT, at its discretion, may request the CONTRACTOR exceed its capacity level by more than 5 beds or 5% of the combined

capacity number, whichever is greater, based on population needs, or other need identified by the DEPARTMENT.

During an offender's detention placement, DEPARTMENT will continue payment to CONTRACTOR at the contracted per diem rate to allow CONTRACTOR to "hold" the bed until the offender's return. However, upon determination by DEPARTMENT Hearing Officer that the offender will be returned to a higher level of custody from CONTRACTOR detention center, CONTRACTOR will discontinue receiving per diem payments for the offender and may immediately fill the bed with another offender.
DEPARTMENT shall pay CONTRACTOR for male and female resident beds left temporarily vacant by offenders who are placed in a **jail facility,** those serving a **sanction**, (and not a revocation), and those administratively transferred for medical or mental health stabilization to the START, ASRC Programs, and jail facilities, and who will be returning to the prerelease center they were removed from within a thirty (30) day time period. DEPARTMENT will not compensate CONTRACTOR for sanctions lasting beyond 30 days unless approved in writing by the DEPARTMENT. Longer stays require Division Administrator or designee approval.

DEPARTMENT will be responsible for paying all offender County jail per diem charges directly to the County. CONTRACTOR will bill offender and collect from funds available in resident account, to the extent deemed reasonable by CONTRACTOR, the DOC-established County Jail per diem rate per offender, per day, for those offenders that serve jail days while in the prerelease program. DEPARTMENT will bill CONTRACTOR the DOC-established County Jail per diem rate per offender, per day, via a monthly invoice, for county jail days billed to DEPARTMENT by the County jail. DEPARTMENT will approve and forward invoice to CONTRACTOR. CONTRACTOR will remit to DEPARTMENT collectable amounts from offenders as determined reasonable by CONTRACTOR. CONTRACTOR shall not be responsible for any amount invoiced, but not paid from resident accounts. Unpaid invoice amounts will not be carried forward from month to month.

DEPARTMENT shall reimburse CONTRACTOR for expenses when transportation to a detention facility is required for an offender more than 30 miles away from the facility. DEPARTMENT will pay for staff coverage at a rate of no more than $15 per hour and per diem for mileage and meals at the state-specified rates. DEPARTMENT will reimburse CONTRACTOR for actual costs as provided by the CONTRACTOR.

Payments made for transportation expenses will not be counted towards the maximum amount paid under the contract in section 1(G)(1)(a), and will not count towards contract capacity.

c. Special funds (special needs, stipends, sex offenders)

CONTRACTOR must follow ACCD 5.1.202 Prerelease Stipend and Special Needs Funding.

**DEPARTMENT shall pay CONTRACTOR a share of fifty thousand and 00/100 dollars ($50,000) per fiscal year** to be allocated by contract capacity between Alternatives, Inc., Great Falls Prerelease Services, Inc., Missoula Correctional Services, Inc., Community, Counseling & Correctional Services, Inc., Boyd Andrew Community Services, and Gallatin County to pay for expenses related to ***stipend requests***, and allocated by Facility contract

capacity. Community, Counseling, and Correctional Services, Inc **(Butte Prerelease and Women's Transition Center) combined allocation amount for FY 2014 will be $10,318.00 and $10,318.00 for FY 2015.** This amount will not be counted toward the maximum amount paid under the contract in section 1(G)(1)(a).

**DEPARTMENT shall pay CONTRACTOR a share of fifty thousand and 00/100 dollars ($50,000) per fiscal year** to be distributed on a first come, first serve basis between Alternatives, Inc., Great Falls Prerelease Services, Inc., Missoula Correctional Services, Inc., Community, Counseling & Correctional Services, Inc., Boyd Andrew Community Services, and Gallatin County to pay for expenses related to necessary services provided to offenders qualifying as ***"special needs"*** offenders. This amount will not be counted toward the maximum amount paid under the contract in section 1(G)(1)(a).

d. Position compensation (nurse, mental health)

**DEPARTMENT shall pay CONTRACTOR a one-time payment of sixty-two thousand and 00/100 dollars ($62,000.00) per fiscal year**, for no less than forty (40) hours per week of service from a registered nurse. The amount of payment for this service will be pro-rated, should nursing service not be available for an entire fiscal year. Should CONTRACTOR provide sick call, CONTRACTOR must comply with all applicable laws and regulations regarding practices of nursing and medicine.

DEPARTMENT shall pay CONTRACTOR for actual utilization and delivery of mental health services provided in accordance with ACCD 4.5.200 Healthcare Responsibilities. Payment will be based upon current Medicaid rates, not to exceed **$55,000.00** (fifty- five thousand and 00/100 dollars) annually.

f. Booter Aftercare per diem (Great Falls PRC only)

Not applicable.

2. Billing/Payment:

a. All payments made under this Contract shall be made only upon submission by CONTRACTOR of an Invoice specifying the amounts due for contractual services rendered during the preceding month and certifying that services requested under the Contract have been performed in accordance with the Contract. Electronic invoices provided by DEPARTMENT shall be submitted no later than the 10th of each month and shall contain each offender name and (AO) number (Adult Offender # (AO#)) participating in the Butte Prerelease and Women's Transition Center Program, the date of Program entry, and date of release, if applicable. CONTRACTOR must follow ACCD 1.2.300 Institutional/Non-institutional.

b. Per 17-8-242, MCA, DEPARTMENT agrees to pay CONTRACTOR within 30 days following receipt of a correct invoice. Invoices are subject to audit and adjustment by DEPARTMENT before and after payment is made. Unless such invoice is subjected to a special review or audit, DEPARTMENT will make every effort to pay CONTRACTOR or provide written explanation of exception, within 15 days of DEPARTMENT receiving a correct invoice.

c. Excluding compensation for Nursing and Mental Health services, the per diem rate constitutes the sole and exclusive payment by DEPARTMENT for the provision of all services required herein and shall remain in effect until changed by mutual agreement of both parties, except as otherwise specifically provided in this Contract.

d. CONTRACTOR must follow ACCD 1.1.700 Compliance Monitoring. DEPARTMENT may withhold payments to CONTRACTOR in an amount equal to the additional costs to the DEPARTMENT or $1,000.00 per month, whichever is greater, for failure to perform in accordance with the terms of this Agreement. However, prior to withholding payment, DEPARTMENT shall notify CONTRACTOR, in writing, of its failure to perform. The notice shall specify acts or omissions constituting the default. If CONTRACTOR fails to remedy the default or submit an action plan deemed acceptable by DEPARTMENT within 60 calendar days of receipt of notice [documented by certified mail], DEPARTMENT may withhold payments. DEPARTMENT may allow CONTRACTOR additional time, as appropriate, provided CONTRACTOR demonstrates a good faith effort to achieve compliance.

e. The Contract number must be referenced on all invoices and correspondence pertaining to this Contract.

f. CONTRACTOR shall maintain a male population consistency of 50% institutional offenders based on a 95% occupancy rate of total contracted male beds. To determine the male offender population consistency percentage, only male resident beds will be considered. Transitional Living and Enhanced Supervision will not be included in this figure. DEPARTMENT will conduct random audits to determine if CONTRACTOR is maintaining a male population consistency of 50% institutional offenders based on a 95% occupancy rate. If the institutional offender population consistency falls below 50% of the occupancy rate for three (3) consecutive months, with adequate referrals from the DEPARTMENT, DEPARTMENT will deduct 2% off the current per diem rate on the fourth month to continue on a month to month basis until CONTRACTOR regains the required population consistency. If it is determined DEPARTMENT is not providing at least 50% institutional referrals, CONTRACTOR will not be penalized.

g. DEPARTMENT shall not reimburse CONTRACTOR for any offender whose length of stay extends beyond 200 days unless specifically authorized and approved in writing by the PRC Contract Manager or designee, prior to the expiration of the 200-day period.

h. CONTRACTOR will provide DEPARTMENT, for review, the CONTRACTOR'S yearly (audited) and quarterly (unaudited) financial statements.

3. Bonding (If financed with MFFA)

Not applicable.

H. Agency Assistance

Not Applicable

I. Intellectual Property

All patent and other legal rights in or to inventions created in whole or in part under this contract must be available to DEPARTMENT for royalty-free and nonexclusive licensing. Both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use and authorize others to use, copyrightable property created under this contract.

J. Compliance with Laws

1. State, federal, and local laws

CONTRACTOR must, in performance of work under the Contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990 and ADA Amendments Act of 2008, Section 504 of the Rehabilitation Act of 1973, and Public Law 108-79 Prison Rape Elimination Act and the standards mandated therein. Any subletting or subcontracting by CONTRACTOR subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, CONTRACTOR agrees that the hiring of persons to perform the Contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by persons performing the Contract.

a. Prison Rape Elimination Act

CONTRACTOR shall comply with the Prison Rape Elimination Act 42 U.S.C.A. § 15601ff, the Prison Rape Elimination Act final rule 28 CFR Part 115, MDOC Policy 1.3.14, Prison Rape Elimination Act and ACCD 1.3.1400 PREA to include incident reporting. CONTRACTOR shall establish a zero tolerance policy to incidents of sexual assault/rape or sexual misconduct.

DEPARTMENT will provide PREA instructor training classes. CONTRACTOR shall be required to send instructor candidates to the instructor PREA training program. CONTRACTOR shall require applicable staff to attend the basic PREA training and such on-going annual training as may be required by law, DEPARTMENT, and CONTRACTOR policy. CONTRACTOR shall require first-line responders or staff who may be involved in incidents of sexual assault/rape or sexual misconduct to attend specialized PREA training. CONTRACTOR shall provide proof of compliance. CONTRACTOR shall ensure that during orientation offenders receive Facility orientation and orientation material regarding PREA. Offenders shall be required to sign an acknowledgement of having received the information. CONTRACTOR shall report all incidents or suspected incidents of staff misconduct as per MDOC Policy 1.1.6 Priority Incident Reporting and Acting Director System and ACCD 1.1.600 Priority Incident Reporting to DEPARTMENTS' Prerelease Contract Manager or designee, as well as, all reportable incidents of sexual assault/rape, sexual misconduct or sexual acts involving offenders.

2. Compliance with Worker's Compensation Act

Neither CONTRACTOR nor its employees are employees of the State. In accordance with sections 39-71-120, 39-71-401, and 39-71-405, MCA, Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana. CONTRACTOR shall provide proof of compliance in the form of workers' compensation insurance, an independent contractor exemption, or documentation of corporate officer status and maintain such insurance, exemption, or corporate officer status for the duration of the contract. CONTRACTOR shall submit a copy of all renewals of expired insurance and exemptions to: Department of Corrections, Contracts Management Bureau, Attn: Contracts Manager, PO Box 201301, Helena, MT 59620-1301.

3. Prevailing Wage

a. **Montana Resident Preference**. The nature of the work performed, or services provided, under this contract meets the statutory definition of a "public works contract" in section 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of $25,000 for construction or nonconstruction services in accordance with sections 18-2-401 through 18-2-432, MCA, and all administrative rules adopted in relation to these statutes. Unless superseded by federal law, each contractor shall ensure that at least 50% of a contractor's workers performing labor on a construction project are bona fide Montana residents.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with sections 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

b. **Standard Prevailing Rate of Wages.** In addition, unless superseded by federal law, all employees working on a public works contract shall be paid prevailing wage rates in accordance with sections 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in section 18-2-401, MCA, in which the total cost of the contract is in excess of $25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

Furthermore, section 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with section 18-2-423, MCA.

Section 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer must maintain payroll records in a manner readily capable of being certified for submission under section 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of

work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for Nonconstruction Services 2003. The booklet containing these 2003 rates is attached to this Contract and made a part thereof by reference.

4. DNA

CONTRACTOR will comply with MDOC Policy 1.5.13, DNA Testing/Collection of Biological Samples by following the procedures outlined within the policy or utilizing a community resource to obtain DNA samples from designated offenders. Upon an applicable offender's release or return to custody, CONTRACTOR will forward written documentation [of the conducted sampling] to the supervising P&P Office or appropriate facility.

K. Fiscal Management/Reporting

1. Annual Reports

CONTRACTOR must have an independent financial audit conducted annually, at its expense, and submit these to the Prerelease Contract Manager no later than December 31st of each calendar year.

2. No Adverse Change

On an annual basis, CONTRACTOR must certify by signature of its authorized representative, that since the date of CONTRACTOR'S most recent financial statements, there has not been any material adverse change in CONTRACTOR'S business or condition, nor has there been any change in the assets or liabilities or financial condition from that reflected in the financial statements which is material to CONTRACTOR'S ability to perform its obligations under this Contract. If requested, CONTRACTOR agrees to provide DEPARTMENT with a copy of its most recent financial statement, related to this specific Contract.

L. Hold Harmless and Indemnification

1. CONTRACTOR agrees to be financially responsible (liable) for any audit exceptions or other financial loss to DEPARTMENT due to the negligence, intentional acts, or failure for any reason to comply with terms of this Contract.

2. CONTRACTOR agrees to protect, defend, indemnify, and hold harmless the DEPARTMENT, its elected and appointed officials, agents and employees from and against all claims, causes of action, damages, losses and expenses, of any kind or character, including but not limited to attorneys' fees and the costs of defense, arising in favor of CONTRACTOR'S employees or third parties on account of bodily injury, sickness, disease, death, personal injury, violation of an offender's constitutional or statutory rights, or to injury to or destruction of tangible property except for such claims, causes of action, damages, losses or expenses which are solely due to the fault or negligence of the party seeking indemnity.

M. Insurance

1. **General Requirements:** CONTRACTOR shall maintain for the duration of the Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by CONTRACTOR, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

   **Primary Insurance:** CONTRACTOR'S insurance coverage shall be primary insurance as respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be in excess of CONTRACTOR'S insurance and shall not contribute with it.

   **Deductibles and Self-Insured Retentions:** Any deductible or self-insured retention must be declared to and approved by DEPARTMENT. At the request of DEPARTMENT either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, and volunteers; or (2) CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

   **Certificate of Insurance/Endorsements:** A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverage's must be received by the Contracts Management Bureau, PO Box 201301, Helena, MT 59620-1301 prior to start of work under this Contract. CONTRACTOR must immediately notify DEPARTMENT of any material change in insurance coverage, such as changes in limits, coverage's, policy status, etc. DEPARTMENT reserves the right to require complete copies of insurance policies at all times.

2. **Specific Requirements for Commercial General Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors.

   **Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insurers for liability arising either on account of CONTRACTOR'S acts or omissions causing the violation of any individual's civil rights, or bodily or personal injuries, death, or damage to property, or on account or arising out of services performed or the omissions of services.

   **Specific Requirements for Automobile Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors.

   **Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insured's for automobiles leased, hired, or borrowed by CONTRACTOR.

**Specific Requirements for Professional Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors. Note: if "occurrence" coverage is unavailable or cost prohibitive, CONTRACTOR may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

**Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insurers for liability arising either on account of CONTRACTOR'S acts or omissions causing the violation of any individual's civil rights, or bodily or personal injuries, death, or damage to property, or on account or arising out of services performed or the omissions of services.

N. Public Information

CONTRACTOR recognizes that this Contract is subject to public inspection pursuant to Article 2, § 9 of the Montana Constitution.

O. Assignment/Transfer/Subcontractors

CONTRACTOR shall not assign, sell, transfer, subcontract or sublet rights, or delegate duties under this Contract, in whole or in part, without the prior written approval of DEPARTMENT. No such written approval shall relieve CONTRACTOR of any obligation of this Contract and any transferee or subcontractor shall be considered the agent of CONTRACTOR. CONTRACTOR shall remain liable as between the original parties to the Contract as if no such assignment had occurred.

1. CONTRACTOR must keep DEPARTMENT informed about programmatic and health services work that CONTRACTOR subcontracts by submitting all subcontracts to the Prerelease Contract Manager for review and approval at least 30 days prior to beginning of performance of the contract. DEPARTMENT shall submit its approval or revision recommendation in writing to CONTRACTOR.

P. Amendments/Changes

All amendments to this Contract shall be in writing and signed by the parties.

Q. Contract Termination

1. Termination for Cause with Notice to Cure Requirements.

DEPARTMENT may terminate this contract for failure of CONTRACTOR to perform any of the services, duties, or conditions contained in this contract after giving CONTRACTOR written notification of the stated failure. The written notice [documented by certified mail] must demand performance of the stated failure within a specified period of time of not less than sixty (60) calendar

days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

CONTRACTOR may terminate this Contract for failure of DEPARTMENT to perform any of the services, duties, or conditions contained in this Contract after providing DEPARTMENT with a written notification of the stated failure to perform. The written notice must demand performance of the stated failure to perform within a specified period of time of not less than sixty (60) days. If the demanded performance is not completed within the specified period, or at an agreed upon later date, the termination is effective at the end of the specified period. In the event CONTRACTOR exercises its right of termination, CONTRACTOR shall comply with the Procedure upon Termination set forth below in subsection 6.

2. Reduction of Funding

DEPARTMENT must terminate this contract if funds are not appropriated or otherwise made available to support continuation of performance of this contract in a subsequent fiscal period. (See section 18-4-313(4), MCA)

3. Termination for Contractor Insolvency

In the event of filing a petition for bankruptcy by or against CONTRACTOR, DEPARTMENT shall have the right to terminate the Contract upon the same terms and conditions as termination for default. Additionally, DEPARTMENT may terminate under the same terms and conditions as termination for default in the following circumstances:

a. CONTRACTOR applies for or consents to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets;

b. CONTRACTOR files a voluntary petition in bankruptcy;

c. CONTRACTOR admits in writing its inability to pay its debts as they become due;

d. CONTRACTOR makes a general assignment for the benefit of creditors;

e. CONTRACTOR files a petition or an answer seeking reorganization or rearrangement with creditors or, as a debtor, invokes or takes advantage of any insolvency law; or

f. A court of competent jurisdiction enters an order, judgment or decree, on the application of a creditor, adjudicating CONTRACTOR as bankrupt or insolvent or approving a petition seeking reorganization of CONTRACTOR or a substantial part of its assets, and such order, judgment or decree continues unstayed for thirty (30) days.

If any of these circumstances occur, DEPARTMENT shall provide CONTRACTOR with written notice of the termination and provide a date when such termination will take effect.

4. Termination Due To Destruction or Condemnation

If the facility is totally or extensively damaged by fire or other casualty so as to prevent or substantially limit CONTRACTOR'S operations, or is condemned for public use by a legally

constituted public authority, either party may terminate the Contract with written notice [documented by certified mail] provided to the other party within sixty (60) calendar days of the casualty or condemnation. The effective date of such termination shall be the date of the occurrence of the casualty or the effective date of the condemnation.

5. DEPARTMENT Procedure upon Termination

Upon delivery to CONTRACTOR of a Notice of Termination specifying the reason of the termination, the extent to which performance of work under the Contract is terminated, and the date on which such termination becomes effective, CONTRACTOR shall:

a. Stop work under the Contract on the date and to the extent specified in the Notice of Termination;

b. Place no further orders for materials, services, or facilities, except as may be necessary for completion of such portion of the work under the Contract that is not terminated;

c. Terminate all orders to the extent that they relate to the performance of work terminated by the Notice of Termination, except as may be necessary to avoid the occurrence of penalty assessments and the continuation of which DEPARTMENT has approved;

d. Assign to DEPARTMENT, or a subsequent contractor as the case may be, in the manner and to the extent directed by DEPARTMENT, all of CONTRACTOR'S right and interest under the orders so terminated, in which case DEPARTMENT or a subsequent contractor shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders;

e. With DEPARTMENT approval or ratification, settle all outstanding liabilities and all claims arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provision of the Contract;

f. Deliver files, processing systems, data manuals, and/or documentation, in any form, to DEPARTMENT at the time and in the manner requested by DEPARTMENT; and

g. Complete the performance of such part of the work as shall not have been terminated by the Notice of Termination.

6. CONTRACTOR Procedure upon Termination

Upon delivery to DEPARTMENT of a Notice of Termination specifying the reason for termination (no cause shown or stated failure to perform) and the date on which such termination becomes effective, CONTRACTOR shall:

a. Stop work under the Contract on the date specified in the Notice of Termination or date negotiated with DEPARTMENT;

b. Place no further orders for materials, services, or facilities except as may be necessary for completion of such portion of work under the Contract to effectively terminate the Contract;

c. Terminate all orders to the extent that they relate to the performance of work terminated by the Notice of Termination;

d. Assign to the DEPARTMENT or a subsequent contractor specified by DEPARTMENT, in the manner and to the extent directed by DEPARTMENT, all of CONTRACTOR'S right and interest under the orders so terminated, in which case DEPARTMENT or a subsequent contractor shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders;

e. With DEPARTMENT approval or ratification, settle all outstanding liabilities and all claims arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this Contract;

f. Deliver files, processing systems, data manuals, and/or documentation, in any form, to the DEPARTMENT at the time and in the manner requested by DEPARTMENT.

CONTRACTOR shall proceed immediately with the performance of the above obligations outlined in section Q above, notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this provision.

R. Choice of Law and Venue

The laws of Montana govern this Contract. The parties agree that any litigation concerning this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees (Ref. 18-1-401, MCA).

S. Licensure

CONTRACTOR agrees to provide copies of current licenses and certifications that register CONTRACTOR and any associates performing under this Contract.

T. Integration

This Contract contains the entire agreement between the parties and no statement, promises, or inducements made by either party or agents thereof, which are not contained in the written Contract, shall be binding or valid. This Contract shall not be enlarged, modified, or altered except upon written agreement signed by all parties to the agreement.

U. Severability

A declaration by any court, or any other binding legal source, that any provision of this Contract is illegal and void shall not affect the legality and enforceability of any other provision of this Contract, unless the provisions are mutually dependent.

V. Performance Security/Bond

Not applicable.

W. Liquidated Damages

Not Applicable.

X. Policy and Procedures Changes and Reference List

Incorporated herein is the DEPARTMENT'S ACCD Standard Operating Procedure Manual. Procedures listed in this manual are subject to compliance monitoring. CONTRACTOR may submit written comments on all revisions as provided for in ACCD 1.1.200 Policy Management System. If the DEPARTMENT proposes or considers Administrative Rule or Policy changes affecting CONTRACTOR'S financial operation or the intent of the Contract, DEPARTMENT agrees to negotiate these changes or the Contract prior to implementation of said Administrative Rules or Policies. DEPARTMENT will not implement procedures or policies that affect CONTRACTOR'S financial operation or the intent of the Contract without mutual agreement. Neither CONTRACTOR nor DEPARTMENT will unreasonably withhold agreement.

DEPARTMENT will only make revisions to the procedure manual after a twenty (20)-day (working) review/comment period by both parties. DEPARTMENT will conduct quarterly meetings with Facility Directors and Administrators to review and discuss proposed policy changes, and if necessary, conduct a conference call with CONTRACTOR prior to the quarterly meeting to discuss and review items of an emergent matter. If parties are in disagreement about policies that do not affect CONTRACTOR'S financial operations or the intent of the Contract, final approval is at the discretion of DEPARTMENT.

Upon agreement by both parties, implementation of policy will occur immediately upon finalization and agreement of policy.

CONTRACTOR must follow ACCD Procedure Manual and ACCD 1.1.200 Policy Management System.

Y. Miscellaneous Matters

The parties agree that electronic transmissions, such as e-mails, may be used and considered as written transmissions under the terms of this Contract. The parties agree that where there are references to statutes, policies or administrative rules, those references shall automatically be amended to refer to renumbered statutes, policies, or administrative rules as appropriate.

Z. Completed Contract

DEPARTMENT cannot disburse any payments under this Contract until a fully executed original Contract is returned to the Department of Corrections, Contracts Management Bureau, PO Box 201301, 5 South Last Chance Gulch, Helena, MT 59620-1301.

AA. Alternate Dispute Resolution

Any dispute between the parties concerning any and all matters related to this Contract will be resolved as follows:

a. Step 1: Each party will appoint a person who shall be responsible for administering the resolution procedures regarding claims. Those appointed persons should attempt to settle such

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claim. If they are unable to resolve the claim within thirty (30) days after either party notifies the other that the claim has been referred for resolution, either party may declare that an impasse has been reached and proceed to Step 2.

b. Step 2: Upon declaration of an impasse, the parties will seek mediation by a qualified mediator who will be agreed to by the parties or, if the parties cannot agree to a mediator within thirty (30) days of the decision to mediate, the party seeking mediation will choose the mediator. The cost of the mediation will be split equally between the parties.

   The mediator shall conduct all hearings and meetings in Helena, Montana. If non-binding mediation does not resolve the dispute, parties may proceed to Step 3 set out herein.

c. Step 3: Either party may seek any remedy available under law or the parties may agree to resolve the dispute with binding arbitration.

## 2. Program Requirements and Design

A. Performance Measures

1. Statistical reports

   CONTRACTOR must follow ACCD 1.6.200 Statistical Reports.

2. Outcome Measures

   CONTRACTOR shall track outcome measures for determining "Offender Return Rate" or "Offender Recidivism Rate" by tracking and report to the DEPARTMENT by following ACCD 1.6.300 Contractor Reports, ACCD 1.6.200 Statistical Reports, and ACCD 1.6.201 Outcome Measures.

B. Screening/Eligibility

CONTRACTOR must follow ACCD 4.1.100 Screenings for Incarcerated Adult Offenders.

C. Programming and Curriculum (Specific to RFP or Previous Contracts)

1. CONTRACTOR must follow ACCD 5.1.202 PRC Program Structure.

2. CP&R

   CONTRACTOR must follow ACCD 5.3.100 CP&R.

3. Criminal Thinking Errors

   CONTRACTOR must follow ACCD 5.3.200 Criminal Thinking Errors (CTE).

4. Anger Management

   CONTRACTOR must follow ACCD 5.3.300 Anger Management.

5. Chemical Dependency Programming

   CONTRACTOR must follow ACCD 5.4.100 Chemical Dependency.

6. Victim Services

   CONTRACTOR must follow ACCD 1.8.100 Victim Services, ACCD 1.8.101 Victim-Offender Dialogue, ACCD 1.8.200 Victim Impact Panels, and ACCD 5.3.400 Victimology.

7. KNIGHTS

   Not Applicable

8. Transitional Living Program (TLP)

   CONTRACTOR must follow ACCD 5.1.201 Transitional Living Program for Adult Offenders.

9. Enhanced Supervision Program (ESP)

   CONTRACTOR must follow ACCD 5.1.204 Enhanced Supervision Program.

10. WATCh related programs

    Not Applicable.

11. Booter Aftercare

    Not Applicable.

12. Sanction Programs

    Not Applicable.

13. Extended Treatment Program (ETP)

    Not Applicable.

14. Culinary Arts Program (CAP)

    Not Applicable.

15. ADT Probation Sanction Program

    Not Applicable.

16. Sex Offender Placement

    CONTRACTOR must follow ACCD 3.5.100 Sex Offender Services.

## 3. Offender Management

A. Offender reports

   CONTRACTOR must follow ACCD 1.6.300 Contractor Reports.

B. Offender fees/fines/R&B

   CONTRACTOR must follow ACCD 1.2.700 Offender Money Management.

C. Length of Stay (LOSs)

CONTRACTOR must follow ACCD 5.1.102 Length of Stays.

D. Offender Misconduct & Removal from Facility

CONTRACTOR must follow ACCD 3.4.100 Offender Discipline and ACCD 3.4.101 Disciplinary Codes.

1. Detention

CONTRACTOR must follow ACCD 3.4.102 Offender Removal and Detention. CONTRACTOR will follow ACCD 5.1.104 Warrants for Offenders in ACCD Programs/Facilities.

2. Unlawful Offender Behavior

CONTRACTOR shall report allegations of criminal conduct of offenders to local law enforcement officials and DEPARTMENT. CONTRACTOR shall cooperate with any administrative or criminal investigation regarding an offender. In accordance with P&P 40-2, Offender Informants, under no circumstances may an offender be permitted to act as an operative/informant (i.e. actively engaging in "controlled enforcement" activities that would ordinarily be considered a violation of the law) for law enforcement officials.

E. Escape

CONTRACTOR must follow ACCD 3.2.100 Escape.

F. Transportation/Travel/Driving Privileges

CONTRACTOR must follow ACCD 5.1.103 Offender Travel.

G. Administrative Transfer/Overrides

CONTRACTOR must follow ACCD 4.6.200 Administrative Transfers/Overrides.

H. Security/Counts

1. CONTRACTOR must follow:

a. ACCD 3.1.800 Use of Force and Restraints.
b. ACCD 3.1.2100 Offender Counts and Supervision.
c. ACCD 3.1.1100 Offender Movement Control.
d. ACCD 3.1.1300 Key Control and ACCD 3.1.1400 Tool Control.
e. ACCD 3.1.1700 Searches and Contraband Control.
f. ACCD 3.1.500 Entrance Procedures.
g. ACCD 3.1.300 Logs and Record-Keeping Systems.

I. Drug/Alcohol Testing/UAs

CONTRACTOR must follow ACCD 3.1.2000 Offender Drug and Alcohol Testing Program.

J. Healthcare

CONTRACTOR must follow ACCD 4.5.200 Healthcare Responsibilities, ACCD 4.5.201 Urgent and Emergent Pre-Authorization Process, ACCD 4.5.202 Inmate Worker Healthcare, ACCD 4.5.1000 Level of Therapeutic Care, ACCD 4.5.1500 Offender Health Care Access, ACCD 4.5.1700 Offender Sick Call and ACCD 4.5.2000 Emergency Medical Services.

K. Offender Rights

1. Religion

CONTRACTOR must follow ACCD 5.6.100 Religion.

2. Grievances

CONTRACTOR must follow ACCD 3.3.300 Grievances.

3. Property/Clothing

CONTRACTOR must follow ACCD 4.1.300 Property.

4. Canteen

Not applicable.

5. Legal Assistance

CONTRACTOR must follow ACCD 3.3.200 Legal Assistance.

6. Telephone

CONTRACTOR must follow ACCD 3.3.700 Telephone.

7. Visitation

CONTRACTOR must follow ACCD 3.3.800 Visitation.

## 4. Facility Management

A. Facility Administration

Butte Prerelease/Women's Transition Center is located in Butte, Montana. The physical address of the Butte Prerelease/Women's Transition Center is: 66 W. Broadway, Butte, Montana 59701. The Butte Prerelease/Women's Transition Center will house up to 175 Prerelease offenders.

1. Management

   CONTRACTOR must follow ACCD 2.1.100 Facility Management.

2. Conditions

   CONTRACTOR must follow ACCD 2.1.200 Facility Conditions and Maintenance.

3. Inmate Worker Position

   CONTRACTOR must follow ACCD 5.1.101 Inmate Workers.

4. Laundry

   Laundry services shall be the responsibility of CONTRACTOR.

B. Food Service

CONTRACTOR must follow ACCD 4.3.100 Food Services.

C. Staffing/Certification/Training

To promote public safety and offender accountability, staffing must be adequate to meet safety and Program needs and shall be established in agreement with MDOC and in accordance with the following policies and procedures:

1. Staff Recruitment/Selection/Licensure/Certification

   CONTRACTOR must follow ACCD 1.3.400 Staff Recruitment, Selection, and Licensure/Certification.

2. Staffing Plans/Patterns

   CONTRACTOR must follow ACCD 1.3.401 Staffing Plans/Patterns.

3. Staff Training

   CONTRACTOR must follow ACCD 1.4.100 Staff Training.

4. Background Staff Investigations

   CONTRACTOR must follow ACCD 1.3.402 Background Investigations.

## 5. SIGNATURES

**DEPARTMENT**

Pam Bunke, Administrator
Adult Community Corrections Division

11-21-13
Date

**CONTRACTOR**

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

11/26/13
Date

Reviewed for Legal Content by:

Legal Counsel
Department of Corrections

11/21/13
Date

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# TABLE OF CONTENTS

**1. Standard Contract Terms ..... 1**
A. Parties ..... 1
B. Time of Performance ..... 1
C. Liaisons and Notice ..... 1
D. Access to Records – Offender Records/Files/OMIS access ..... 2
E. Access to Facility ..... 2
F. Emergency Preparedness ..... 2
G. Compensation/Billing ..... 4
H. Agency Assistance ..... 8
I. Intellectual Property ..... 9
J. Compliance with Laws ..... 9
K. Fiscal Management/Reporting ..... 11
L. Hold Harmless and Indemnification ..... 11
M. Insurance ..... 12
N. Public Information ..... 13
O. Assignment/Transfer/Subcontractors ..... 13
P. Amendments/Changes ..... 13
Q. Contract Termination ..... 13
R. Choice of Law and Venue ..... 16
S. Licensure ..... 16
T. Integration ..... 16
U. Severability ..... 16
V. Performance Security/Bond ..... 16
W. Liquidated Damages ..... 17
X. Policy and Procedures Changes and Reference List ..... 17
Y. Miscellaneous Matters ..... 17
Z. Completed Contract ..... 17
AA. Alternate Dispute Resolution ..... 17
**2. Program Requirements and Design ..... 19**
A. Performance Measures ..... 19
B. Screening/Eligibility ..... 19
C. Programming and Curriculum (Specific to RFP or Previous Contracts) ..... 19
**3. Offender Management ..... 20**
A. Offender reports ..... 20
B. Offender fees/fines/R&B ..... 20
C. Length of Stay (LOSs) ..... 21
D. Offender Misconduct & Removal from Facility ..... 21
E. Escape ..... 21
F. Transportation/Travel/Driving Privileges ..... 21
G. Administrative Transfer/Overrides ..... 21
H. Security/Counts ..... 21
I. Drug/Alcohol Testing/UAs ..... 22
J. Healthcare ..... 22
K. Offender Rights ..... 22
**4. Facility Management ..... 22**
A. Facility Administration ..... 22
B. Food Service ..... 23
C. Staffing/Certification/Training ..... 23
**5. SIGNATURES ..... 24**

DocuSign Envelope ID: 2D72E068-DB96-49BA-BE5D-30BA917CB72E

# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 16

THIS CONTRACT AMENDMENT (**Amendment #3**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701 and is effective upon receipt of all signatures.

WHEREAS, the parties have entered a Contract with an original effective date of July 1, 2005 and Section P provides that the parties may modify their agreement in writing; and

WHEREAS, Section B(4) provides that the parties may negotiate the terms of this contract every two years.

NOW THEREFORE, the parties agree to amend the Contract as follows **(new language underlined, old language interlined)**:

G. Compensation/Billing

1. Compensation:

a. Total contract amount

**FY ~~2017 (July 1, 2016 – June 30, 2017)~~ 2018 and 2019 (July 1, 2017 – June 30, 2019**
Contract Maximum reimbursement shall not exceed **$3,989,708** annually for the contract period beginning July 1, 2017 and ending June 30, 2019. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

b. Offender per diem rates

**FY ~~2017 (July 1, 2016 – June 30, 2017)~~ FY – 2018 and 2019 (July 1, 2017 – June 30, 2019**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2016~~ 2017 and ending June 30, ~~2017~~ 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$53.03 (Fifty-three and 03/100 dollars)~~ $52.76 (Fifty-two and 76/100 Dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2016~~ 2017 and ending June 30, ~~2017~~ 2019, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$62.27 (Sixty-two and 27/100 dollars)~~ $61.96 (Sixty-one and 96/100 Dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** – provided in accordance with Section 2 (C)(8) of this Agreement – **~~is $21.42 per offender, per day for FY 2016 and $21.85 per offender, per day for FY 2017~~ $21.74 per offender, per day for FY 2018 and FY 2019.** CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to

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CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** – provided in accordance with Section 2(C)(9) of this Agreement – is ~~**$15.30 per offender, per day for FY 2016 and $15.61 per offender, per day for FY 2017**~~ **$15.53 per offender, per day for FY2018 and FY 2019**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times. The maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

DEPARTMENT agrees to purchase five (5) female **sanction/hold beds** as set forth in Section 2(c)(12) of this agreement for a maximum of five (5) offenders at a rate of **$50.00 per offender, per day for FY 2018 and FY 2019.** If CONTRACTOR is unable to fill all of these sanction beds, these beds may be filled with standard female prerelease residents at the current applicable female prerelease per diem rate. Total compensation for these beds is included in the total contract maximum amounts listed in subsection l(G)(l)(a) above.

CONTRACTOR shall not exceed the combined capacity level for the facility. Capacity levels between male, and female, TLP, and ESP beds/slots listed above may be adjusted within this combined capacity total to account for occasional population fluctuations. However, CONTRACTOR may only exceed the combined capacity level by five (5) prerelease beds or slots (including prerelease, TLP, or ESP), or 5% of the combined capacity number, whichever is greater, within a 30 day period. The DEPARTMENT, at its discretion, may request the CONTRACTOR exceed its capacity level by more than 5 beds or 5% of the combined capacity number, whichever is greater, based on population needs, or other need identified by the DEPARTMENT.

~~f. CONTRACTOR shall maintain a male population consistency of 50% institutional offenders based on a 95% occupancy rate of total contracted male beds. To determine the male offender population consistency percentage, only male resident beds will be considered. Transitional Living and Enhanced Supervision will not be included in this figure. DEPARTMENT will conduct random audits to determine if CONTRACTOR is maintaining a male population consistency of 50% institutional offenders based on a 95% occupancy rate. If the institutional offender population consistency falls below 50% of the occupancy rate for three (3) consecutive months, with adequate referrals from the DEPARTMENT, DEPARTMENT will deduct 2% off the current per diem rate on the fourth month to continue on a month to month basis until CONTRACTOR regains the required population consistency. If it is determined DEPARTMENT is not providing at least 50% institutional referrals, CONTRACTOR will not be penalized.~~

**2. Program Requirements and Design**

A. – B. No Changes

C. Programming and Curriculum (Specific to RFP or Previous Contracts)

1. – 11. No Changes

12. Sanction Programs

~~Not applicable.~~
CONTRACTOR must follow ACCD 3.4.201 PRC Sanction Beds.

17. Evidence Based Practices (EBP)

a. All programming and treatment delivered to offenders shall adhere to evidence-based or research-driven practices and shall be subject to ongoing quality assurance and evaluation to ensure fidelity to delivery standards.

b. All programming and treatment shall be delivered by appropriately trained personnel as required by delivery standards.

c. CONTRACTOR will submit an annual report during the month of July to the Facilities Contract Manager that describes current treatment and programming available within the facility and through referral to offenders.

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

DocuSigned by:
Kevin Olson
0F69E730A0EA445...

6/19/2018

Kevin Olson, Administrator
Probation and Parole Division

Date

**CONTRACTOR**

DocuSigned by:
Mike Thatcher
B78D019236194D6...

6/28/2018

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

Date

Reviewed for Legal Content by:

DocuSigned by:
Lorraine Schneider
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6/19/2018

Legal Counsel
Department of Corrections

Date

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# CONTRACT AMENDMENT
# CONTRACT 06-052-ACCD Revised FY - 14

THIS CONTRACT AMENDMENT (**Amendment #1**) is made and entered into by and between the Montana Department of Corrections (DEPARTMENT) 5 S. Last Chance Gulch, Helena, Montana 59620-1301 and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) 471 East Mercury, Butte, MT 59701 and is effective upon receipt of all signatures.

WHEREAS, the parties have entered a Contract with an original effective date of July 1, 2005 and Section P provides that the parties may modify their agreement in writing; and

WHEREAS, Section B(4) provides that the parties may negotiate the terms of this contract every two years.

NOW THEREFORE, the parties agree to amend the Contract as follows **(new language underlined, old language interlined)**:

G. Compensation/Billing

1. Compensation:

a. Total contract amount

**FY – ~~2014 (July 1, 2013 – June 30, 2014)~~ 2016 (July 1, 2015 – June 30, 2016)**
Contract Maximum reimbursement shall not exceed **~~$3,702,687~~ $3,853,329** for the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

**FY – ~~2015 (July 1, 2014 – June 30, 2015)~~ 2017 (July 1, 2016 – June 30, 2017)**
Contract Maximum reimbursement shall not exceed **~~$3,769,974.75~~ $3,917,661** for the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

b. Offender per diem rates

**FY – ~~2014 (July 1, 2013 – June 30, 2014)~~ 2016 (July 1, 2015 – June 30, 2016)**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$49.97 (forty-nine and 97/100 dollars)~~ $51.99 (Fifty-one and 99/100 dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2013~~ 2015 and ending June 30, ~~2014~~ 2016, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$58.68 (fifty-eight and 68/100 dollars)~~ $61.05 (Sixty-one and 05/100 dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

**FY – ~~2015 (July 1, 2014 – June 30, 2015)~~ 2017 (July 1, 2016 – June 30, 2017)**

**Butte Prerelease- Male:** For the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$50.97 (Fifty and 97/100 dollars)~~ $53.03 (Fifty-three and 03/100 dollars) per offender, per day.** Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, ~~2014~~ 2016 and ending June 30, ~~2015~~ 2017, DEPARTMENT will pay CONTRACTOR a per diem rate of **~~$59.85 (fifty-nine and 85/100 dollars)~~ $62.27 (Sixty-two and 27/100 dollars) per offender, per day.** Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** – provided in accordance with Section 2 (C)(8) of this Agreement – is **~~$21.00~~ $21.42 per offender, per day for FY 2016 and $21.85 per offender, per day for FY 2017**. CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** – provided in accordance with Section 2(C)(9) of this Agreement – is **~~$15.00~~ $15.30 per offender, per day for FY 2016 and $15.61 per offender, per day for FY 2017**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times. The maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

This constitutes the Amendment to the Contract. All other provisions contained in the original Contract, as amended, shall remain unchanged.

**DEPARTMENT**

Kevin Olson, Administrator
Probation and Parole Division

7/15/15
Date

**CONTRACTOR**

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

7/15/15
Date

Reviewed for Legal Content by:

Legal Counsel
Department of Corrections

7/15/15
Date

# Butte Prerelease

## 1. Standard Contract Terms

A. Parties

The Montana Department of Corrections (DEPARTMENT) and **Community, Counseling, and Correctional Services, Inc.** (CONTRACTOR) enter into this Contract **(06-052-ACCD Revised FY - 14)** for services. The parties mailing addresses, and telephone numbers, are as follows:

Montana Department of Corrections
Adult Community Corrections Division
5 South Last Chance Gulch
PO Box 201301
Helena MT 59620-1301
(406) 444-3930

**Community, Counseling, and Correctional Services, Inc. (CCCS)**
**471 East Mercury**
**Butte, MT 59701**
**(406) 782-0417**

**DEPARTMENT AND CONTRACTOR, AS PARTIES TO THIS CONTRACT AND FOR THE CONSIDERATION SET FORTH BELOW, AGREE AS FOLLOWS:**

**This Contract shall replace the previous Contract (#06-052-ACCD) in its entirety upon receipt of signatures by all parties.**

B. Time of Performance

1. This Contract shall take effect July 1, 2005 and shall terminate on June 30, 2025, unless terminated earlier in accordance with the terms of this Contract.

2. Upon expiration of this Contract, and in the absence of a new written agreement, the terms listed herein shall continue to govern the agreement between the parties until such time as a new Contract is signed.

3. It is understood and agreed that this Contract is dependent upon appropriation of funds for this Contract by the Montana Legislature. Further, the parties recognize that the act of appropriation is a legislative act. DEPARTMENT agrees to take such action as is necessary under the laws applicable to the State to timely and properly budget for and request the appropriation of funds from the Legislature of the State of Montana which will permit DEPARTMENT to make all payments required under this Contract.

4. On or about May 1, 2011, and every two years thereafter during the term of this Contract, the parties will arrange to meet to negotiate the terms of this contract for the succeeding two year period.

C. Liaisons and Notice

In order to effectively administer this contract, each party has appointed the following contract persons:

1. The Contact Persons for DEPARTMENT are:

| | |
|---|---|
| Operational Issues: | Adult Community Corrections Division Administrator or designee |
| Contract Issues: | Prerelease Contract Manager |
| Notice/Litigation: | Chief General Counsel |
| Emergency Contact: | Prerelease Contract Manager |

2. The Contact Persons for CONTRACTOR are:

| | |
|---|---|
| Operational Issues: | CCCS Program Administrator |
| Contract Issues: | CCCS Chief Executive Officer |
| Notice/Litigation: | CCCS Chief Executive Officer |

Replacement of the positions identified herein shall be accomplished by written notice to the other party. All notices, reports, billings, and correspondence to the respective parties of this Contract shall be sent to the attention of the appropriate person in the positions listed above.

D. Access to Records – Offender Records/Files/OMIS access

CONTRACTOR must follow ACCD 1.5.500 Case Records Management and ACCD 1.5.600 Offender Records Access and Release. CONTRACTOR will follow ACCD 1.7.100 OMIS Access for Contract Facilities.

CONTRACTOR agrees to provide offender information to the Department through the Offender Management Information System (OMIS) by following ACCD 1.7.200 OMIS Entry. The DEPARTMENT will be responsible for the training and procedural guidelines of information in this procedure that must be entered into the system.

E. Access to Facility

With reasonable notice, DEPARTMENT employees, the Legislative Auditors Office, the Governor's Office, the Board of Pardons and Parole, and members of the Legislature shall have access to the Facility to allow for observation of the Program and its operation.

CONTRACTOR agrees to provide DEPARTMENT, the Legislative Auditor, or their authorized agents with access to any records necessary to determine Contract compliance (Ref. 18-1-118, MCA). Access shall include, but not be limited to; program and financial records, CONTRACTORS staff, and offenders housed in the Facility. All such persons desiring access to the Facility shall be subject to CONTRACTOR'S routine security inspection. CONTRACTOR shall be given reasonable advance notice to accommodate organized tours of the Facility.

F. Emergency Preparedness

1. CONTRACTOR must follow DOC 3.2.1 Emergency Management, DOC 3.2.1 Emergency Operations Plan, and ACCD 3.2.100 ACCD Facility Escapes/Walk-Aways. CONTRACTOR shall maintain written procedures to provide for the continued operation of the program in the event of an employee work stoppage, emergency, or disaster. The procedures shall include, but not be limited to: assignment of tasks and responsibilities, instructions for the use of alarm systems, notification of authorities, use of special emergency equipment, and specifications of escape routes and procedures. The emergency evacuation routes shall be posted at highly visible locations and explained to each

new offender at orientation. The Facility shall conduct and maintain documentation of quarterly drills and evaluate the effectiveness of disaster procedures.

2. In compliance with MDOC Policy 3.2.1, Emergency Management, CONTRACTOR must have a written Emergency Operations Plan and Continuity of Operation Plan that are in compliance with the National Incident Management System, Incident Command System and the DEPARTMENT'S Emergency Operations Plan and Continuity of Operation Plan. These plans must be approved by DEPARTMENT.

3. CONTRACTOR must have a written Contingency Plan approved by DEPARTMENT that addresses the following:

    a. An identified alternate location for offenders to reside temporarily for approximately a ninety (90) day duration, that provides adequate life support resources (i.e. food, shelter, water, personal hygiene) in the event of a natural or man-made event (i.e. earthquake, wildfire, prolonged/catastrophic utility failure, etc.) which renders the facility uninhabitable.

4. Work stoppage

    CONTRACTOR shall develop and maintain an emergency plan that addresses staffing during sick outs, strikes, and work stoppages at the Program and shall notify Local law enforcement personnel and the Prerelease Contract Manager or designee once it becomes apparent that the Butte Prerelease Center may become or, actually becomes, subject to a sick out, strike, or work stoppage.

5. Use of force

    Use of force by CONTRACTOR employees shall be consistent with MDOC Policies, 3.1.8 Use of Force and Restraints and ACCD 3.1.800 Use of Force; and MDOC 3.1.17 Searches and Contraband Control and ACCD 3.1.17 Searches and Contraband Control.

    The use or possession of firearms or gases for control of offenders will be consistent with state law and MDOC policies and procedures. Additionally, all such items will be prohibited at the facility except by local law enforcement and MDOC officials. The Butte Prerelease Program will have appropriate storage for firearms, etc. that may be brought on-site by local law enforcement personnel or transport officials.

6. Assumed control/Emergency Operation of Facility by CONTRACTOR and/or DEPARTMENT

    CONTRACTOR shall submit a detailed plan [to DEPARTMENT for review and approval] that identifies how the facility/program will cooperatively work with other jurisdictions to effectively coordinate the continuity of operations of the facility/program in the event of an emergency, consistent with federal guidelines.

    The plan shall address offender disturbances, employee work stoppages, strikes, weather-related damages, or other serious events as outlined in DOC Policy 3.2.1 Emergency Management.

    The plan shall also address the assumption of operations of the program or facility by DEPARTMENT in the event of CONTRACTOR'S bankruptcy or financial insolvency or if CONTRACTOR is unable to operate the facility.

G. Compensation/Billing

DEPARTMENT agrees to pay a daily per diem rate where "daily" means each day, or part of a day, including the first but not the last day of program participation/confinement. This applies to each subsection listed under Section G (1) below. For subsequent negotiations, DEPARTMENT will compensate CONTRACTOR at new negotiated rates effective July 1st of the beginning of the Fiscal Year if a new contract amendment has been signed by all the parties. The parties may extend final Contract signature to July 31st if there are extenuating circumstances (e.g. special sessions, pending legal opinion, or per statutory effective date). Contract approval will not be unreasonably withheld by either party. Should there be extenuating circumstances beyond July 31st, DEPARTMENT will pay the new negotiated rates to CONTRACTOR beginning on the first day of the month following the date of the last signature. If the parties cannot agree to the Contract terms by July 31st, the parties will resolve the impasse with mediation and the cost of mediation will be split equally between the parties. DEPARTMENT shall compensate CONTRACTOR for successful delivery of the services provided pursuant to Contract in the following manner:

1. Compensation:

   a. Total contract amount

      **FY – 2014 (July 1, 2013 – June 30, 2014)**
      Contract Maximum reimbursement shall not exceed **$3,702,687.00** for the contract period beginning July 1, 2013 and ending June 30, 2014. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

      **FY – 2015 (July 1, 2014 – June 30, 2015)**
      Contract Maximum reimbursement shall not exceed **$3,769,974.75** for the contract period beginning July 1, 2014 and ending June 30, 2015. The contract maximum amount includes all compensation noted in this contract except "special needs" and stipend funding.

   b. Offender per diem rates

      **FY – 2014 (July 1, 2013 – June 30, 2014)**

      **Butte Prerelease - Male:** For the contract period beginning July 1, 2013 and ending June 30, 2014, DEPARTMENT will pay CONTRACTOR a per diem rate of **$49.97** (forty-nine and 97/100 dollars) **per offender**, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensation calculated at an Average Daily Population of one-hundred-and-twenty (120) beds for the contract year.

      **Women's Transition Center - Female:** For the contract period beginning July 1, 2013 and ending June 30, 2014, DEPARTMENT will pay CONTRACTOR a per diem rate of **$58.68** (fifty-eight and 68/100 dollars) **per offender**, per day. Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five (55) beds for the contract year.

**FY – 2015 (July 1, 2014 – June 30, 2015)**

**Butte Prerelease - Male:** For the contract period beginning July 1, 2014 and ending June 30, 2015, DEPARTMENT will pay CONTRACTOR a per diem rate of **$50.97** (fifty and 97/100 dollars) **per offender**, per day. Program capacity at the Butte Prerelease Male facility is one hundred and twenty **(120)** male prerelease beds, with maximum compensations calculated at an Average Daily Population of one hundred and twenty (120) beds for the contract year.

**Women's Transition Center - Female:** For the contract period beginning July 1, 2014 and ending June 30, 2015, DEPARTMENT will pay CONTRACTOR a per diem rate of **$59.85** (fifty-nine and 85/100 dollars) **per offender**, per day. Program capacity at the Women's Transition Center Female facility is fifty-five **(55)** female prerelease beds, with maximum compensations calculated at an Average Daily Population of fifty-five **(55)** beds for the contract year.

DEPARTMENT shall pay CONTRACTOR for transportation layovers at the current year's PRC per diem rate. Payments made for transportation layovers will not be counted towards the maximum amount paid under the contract in section 1(G)(1)(a), and will not count towards contract capacity.

The daily per diem rate paid to CONTRACTOR for **transitional living program (TLP) services** provided in accordance with Section 2 (C)(8) of this Agreement is **$21.00 per offender, per day**. CONTRACTOR'S goal is to maintain twenty (20) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum.

The daily per diem rate paid to CONTRACTOR for **enhanced supervision program (ESP) services** provided in accordance with Section 2(C)(9) of this Agreement is **$15.00 per offender, per day**, with a guarantee of payment for six (6) ESP offenders, per day, regardless of the actual number of offenders in the program. CONTRACTOR'S goal is to maintain twelve (12) offenders in this program at all times and the maximum amount paid to CONTRACTOR, as noted in Section 1(G)(1)(a), is based upon this goal and the corresponding dollar amount included in the contract maximum. CONTRACTOR will collect $5.00 per day, per offender, for which ESP services are rendered. Collection from offenders must occur prior to the DEPARTMENT being invoiced for the current month. The invoice to the DEPARTMENT for ESP will be reduced by $5.00 per day for each offender CONTRACTOR collects from. Any amounts uncollected by CONTRACTOR will be billed to the DEPARTMENT via monthly invoice.

CONTRACTOR shall not exceed the combined capacity level for the facility. Capacity levels between male, female, TLP, and ESP beds/slots listed above may be adjusted within this combined capacity total to account for occasional population fluctuations. However, CONTRACTOR may only exceed the combined capacity level by five (5) beds or slots (including prerelease, TLP, or ESP), or 5% of the combined capacity number, whichever is greater, within a 30 day period. The DEPARTMENT, at its discretion, may request the CONTRACTOR exceed its capacity level by more than 5 beds or 5% of the combined

capacity number, whichever is greater, based on population needs, or other need identified by the DEPARTMENT.

During an offender's detention placement, DEPARTMENT will continue payment to CONTRACTOR at the contracted per diem rate to allow CONTRACTOR to "hold" the bed until the offender's return. However, upon determination by DEPARTMENT Hearing Officer that the offender will be returned to a higher level of custody from CONTRACTOR detention center, CONTRACTOR will discontinue receiving per diem payments for the offender and may immediately fill the bed with another offender.
DEPARTMENT shall pay CONTRACTOR for male and female resident beds left temporarily vacant by offenders who are placed in a **jail facility,** those serving a **sanction**, (and not a revocation), and those administratively transferred for medical or mental health stabilization to the START, ASRC Programs, and jail facilities, and who will be returning to the prerelease center they were removed from within a thirty (30) day time period. DEPARTMENT will not compensate CONTRACTOR for sanctions lasting beyond 30 days unless approved in writing by the DEPARTMENT. Longer stays require Division Administrator or designee approval.

DEPARTMENT will be responsible for paying all offender County jail per diem charges directly to the County. CONTRACTOR will bill offender and collect from funds available in resident account, to the extent deemed reasonable by CONTRACTOR, the DOC-established County Jail per diem rate per offender, per day, for those offenders that serve jail days while in the prerelease program. DEPARTMENT will bill CONTRACTOR the DOC-established County Jail per diem rate per offender, per day, via a monthly invoice, for county jail days billed to DEPARTMENT by the County jail. DEPARTMENT will approve and forward invoice to CONTRACTOR. CONTRACTOR will remit to DEPARTMENT collectable amounts from offenders as determined reasonable by CONTRACTOR. CONTRACTOR shall not be responsible for any amount invoiced, but not paid from resident accounts. Unpaid invoice amounts will not be carried forward from month to month.

DEPARTMENT shall reimburse CONTRACTOR for expenses when transportation to a detention facility is required for an offender more than 30 miles away from the facility. DEPARTMENT will pay for staff coverage at a rate of no more than $15 per hour and per diem for mileage and meals at the state-specified rates. DEPARTMENT will reimburse CONTRACTOR for actual costs as provided by the CONTRACTOR.

Payments made for transportation expenses will not be counted towards the maximum amount paid under the contract in section 1(G)(1)(a), and will not count towards contract capacity.

c. Special funds (special needs, stipends, sex offenders)

CONTRACTOR must follow ACCD 5.1.202 Prerelease Stipend and Special Needs Funding.

**DEPARTMENT shall pay CONTRACTOR a share of fifty thousand and 00/100 dollars ($50,000) per fiscal year** to be allocated by contract capacity between Alternatives, Inc., Great Falls Prerelease Services, Inc., Missoula Correctional Services, Inc., Community, Counseling & Correctional Services, Inc., Boyd Andrew Community Services, and Gallatin County to pay for expenses related to ***stipend requests***, and allocated by Facility contract

capacity. Community, Counseling, and Correctional Services, Inc **(Butte Prerelease and Women's Transition Center) combined allocation amount for FY 2014 will be $10,318.00 and $10,318.00 for FY 2015.** This amount will not be counted toward the maximum amount paid under the contract in section 1(G)(1)(a).

**DEPARTMENT shall pay CONTRACTOR a share of fifty thousand and 00/100 dollars ($50,000) per fiscal year** to be distributed on a first come, first serve basis between Alternatives, Inc., Great Falls Prerelease Services, Inc., Missoula Correctional Services, Inc., Community, Counseling & Correctional Services, Inc., Boyd Andrew Community Services, and Gallatin County to pay for expenses related to necessary services provided to offenders qualifying as ***"special needs"*** offenders. This amount will not be counted toward the maximum amount paid under the contract in section 1(G)(1)(a).

d. Position compensation (nurse, mental health)

**DEPARTMENT shall pay CONTRACTOR a one-time payment of sixty-two thousand and 00/100 dollars ($62,000.00) per fiscal year**, for no less than forty (40) hours per week of service from a registered nurse. The amount of payment for this service will be pro-rated, should nursing service not be available for an entire fiscal year. Should CONTRACTOR provide sick call, CONTRACTOR must comply with all applicable laws and regulations regarding practices of nursing and medicine.

DEPARTMENT shall pay CONTRACTOR for actual utilization and delivery of mental health services provided in accordance with ACCD 4.5.200 Healthcare Responsibilities. Payment will be based upon current Medicaid rates, not to exceed **$55,000.00** (fifty- five thousand and 00/100 dollars) annually.

f. Booter Aftercare per diem (Great Falls PRC only)

Not applicable.

2. Billing/Payment:

a. All payments made under this Contract shall be made only upon submission by CONTRACTOR of an Invoice specifying the amounts due for contractual services rendered during the preceding month and certifying that services requested under the Contract have been performed in accordance with the Contract. Electronic invoices provided by DEPARTMENT shall be submitted no later than the 10th of each month and shall contain each offender name and (AO) number (Adult Offender # (AO#)) participating in the Butte Prerelease and Women's Transition Center Program, the date of Program entry, and date of release, if applicable. CONTRACTOR must follow ACCD 1.2.300 Institutional/Non-institutional.

b. Per 17-8-242, MCA, DEPARTMENT agrees to pay CONTRACTOR within 30 days following receipt of a correct invoice. Invoices are subject to audit and adjustment by DEPARTMENT before and after payment is made. Unless such invoice is subjected to a special review or audit, DEPARTMENT will make every effort to pay CONTRACTOR or provide written explanation of exception, within 15 days of DEPARTMENT receiving a correct invoice.

c. Excluding compensation for Nursing and Mental Health services, the per diem rate constitutes the sole and exclusive payment by DEPARTMENT for the provision of all services required herein and shall remain in effect until changed by mutual agreement of both parties, except as otherwise specifically provided in this Contract.

d. CONTRACTOR must follow ACCD 1.1.700 Compliance Monitoring. DEPARTMENT may withhold payments to CONTRACTOR in an amount equal to the additional costs to the DEPARTMENT or $1,000.00 per month, whichever is greater, for failure to perform in accordance with the terms of this Agreement. However, prior to withholding payment, DEPARTMENT shall notify CONTRACTOR, in writing, of its failure to perform. The notice shall specify acts or omissions constituting the default. If CONTRACTOR fails to remedy the default or submit an action plan deemed acceptable by DEPARTMENT within 60 calendar days of receipt of notice [documented by certified mail], DEPARTMENT may withhold payments. DEPARTMENT may allow CONTRACTOR additional time, as appropriate, provided CONTRACTOR demonstrates a good faith effort to achieve compliance.

e. The Contract number must be referenced on all invoices and correspondence pertaining to this Contract.

f. CONTRACTOR shall maintain a male population consistency of 50% institutional offenders based on a 95% occupancy rate of total contracted male beds. To determine the male offender population consistency percentage, only male resident beds will be considered. Transitional Living and Enhanced Supervision will not be included in this figure. DEPARTMENT will conduct random audits to determine if CONTRACTOR is maintaining a male population consistency of 50% institutional offenders based on a 95% occupancy rate. If the institutional offender population consistency falls below 50% of the occupancy rate for three (3) consecutive months, with adequate referrals from the DEPARTMENT, DEPARTMENT will deduct 2% off the current per diem rate on the fourth month to continue on a month to month basis until CONTRACTOR regains the required population consistency. If it is determined DEPARTMENT is not providing at least 50% institutional referrals, CONTRACTOR will not be penalized.

g. DEPARTMENT shall not reimburse CONTRACTOR for any offender whose length of stay extends beyond 200 days unless specifically authorized and approved in writing by the PRC Contract Manager or designee, prior to the expiration of the 200-day period.

h. CONTRACTOR will provide DEPARTMENT, for review, the CONTRACTOR'S yearly (audited) and quarterly (unaudited) financial statements.

3. Bonding (If financed with MFFA)

Not applicable.

H. Agency Assistance

Not Applicable

I. Intellectual Property

All patent and other legal rights in or to inventions created in whole or in part under this contract must be available to DEPARTMENT for royalty-free and nonexclusive licensing. Both parties shall have a royalty-free, nonexclusive, and irrevocable right to reproduce, publish, or otherwise use and authorize others to use, copyrightable property created under this contract.

J. Compliance with Laws

1. State, federal, and local laws

CONTRACTOR must, in performance of work under the Contract, fully comply with all applicable federal, state, or local laws, rules and regulations, including the Montana Human Rights Act, the Civil Rights Act of 1964, the Age Discrimination Act of 1975, the Americans with Disabilities Act of 1990 and ADA Amendments Act of 2008, Section 504 of the Rehabilitation Act of 1973, and Public Law 108-79 Prison Rape Elimination Act and the standards mandated therein. Any subletting or subcontracting by CONTRACTOR subjects subcontractors to the same provision. In accordance with section 49-3-207, MCA, CONTRACTOR agrees that the hiring of persons to perform the Contract will be made on the basis of merit and qualifications and there will be no discrimination based upon race, color, religion, creed, political ideas, sex, age, marital status, physical or mental disability, or national origin by persons performing the Contract.

a. Prison Rape Elimination Act

CONTRACTOR shall comply with the Prison Rape Elimination Act 42 U.S.C.A. § 15601ff, the Prison Rape Elimination Act final rule 28 CFR Part 115, MDOC Policy 1.3.14, Prison Rape Elimination Act and ACCD 1.3.1400 PREA to include incident reporting. CONTRACTOR shall establish a zero tolerance policy to incidents of sexual assault/rape or sexual misconduct.

DEPARTMENT will provide PREA instructor training classes. CONTRACTOR shall be required to send instructor candidates to the instructor PREA training program. CONTRACTOR shall require applicable staff to attend the basic PREA training and such on-going annual training as may be required by law, DEPARTMENT, and CONTRACTOR policy. CONTRACTOR shall require first-line responders or staff who may be involved in incidents of sexual assault/rape or sexual misconduct to attend specialized PREA training. CONTRACTOR shall provide proof of compliance. CONTRACTOR shall ensure that during orientation offenders receive Facility orientation and orientation material regarding PREA. Offenders shall be required to sign an acknowledgement of having received the information. CONTRACTOR shall report all incidents or suspected incidents of staff misconduct as per MDOC Policy 1.1.6 Priority Incident Reporting and Acting Director System and ACCD 1.1.600 Priority Incident Reporting to DEPARTMENTS' Prerelease Contract Manager or designee, as well as, all reportable incidents of sexual assault/rape, sexual misconduct or sexual acts involving offenders.

2. Compliance with Worker's Compensation Act

Neither CONTRACTOR nor its employees are employees of the State. In accordance with sections 39-71-120, 39-71-401, and 39-71-405, MCA, Contractors are required to comply with the provisions of the Montana Workers' Compensation Act while performing work for the State of Montana. CONTRACTOR shall provide proof of compliance in the form of workers' compensation insurance, an independent contractor exemption, or documentation of corporate officer status and maintain such insurance, exemption, or corporate officer status for the duration of the contract. CONTRACTOR shall submit a copy of all renewals of expired insurance and exemptions to: Department of Corrections, Contracts Management Bureau, Attn: Contracts Manager, PO Box 201301, Helena, MT 59620-1301.

3. Prevailing Wage

a. **Montana Resident Preference**. The nature of the work performed, or services provided, under this contract meets the statutory definition of a "public works contract" in section 18-2-401, MCA. Unless superseded by federal law, Montana law requires that contractors and subcontractors give preference to the employment of Montana residents for any public works contract in excess of $25,000 for construction or nonconstruction services in accordance with sections 18-2-401 through 18-2-432, MCA, and all administrative rules adopted in relation to these statutes. Unless superseded by federal law, each contractor shall ensure that at least 50% of a contractor's workers performing labor on a construction project are bona fide Montana residents.

The Commissioner of the Montana Department of Labor and Industry has established the resident requirements in accordance with sections 18-2-403 and 18-2-409, MCA. Any and all questions concerning prevailing wage and Montana resident issues should be directed to the Montana Department of Labor and Industry.

b. **Standard Prevailing Rate of Wages.** In addition, unless superseded by federal law, all employees working on a public works contract shall be paid prevailing wage rates in accordance with sections 18-2-401 through 18-2-432, MCA, and all associated administrative rules. Montana law requires that all public works contracts, as defined in section 18-2-401, MCA, in which the total cost of the contract is in excess of $25,000, contain a provision stating for each job classification the standard prevailing wage rate, including fringe benefits, travel, per diem, and zone pay that the contractors, subcontractors, and employers shall pay during the public works contract.

Furthermore, section 18-2-406, MCA, requires that all contractors, subcontractors, and employers who are performing work or providing services under a public works contract post in a prominent and accessible site on the project staging area or work area, no later than the first day of work and continuing for the entire duration of the contract, a legible statement of all wages and fringe benefits to be paid to the employees in compliance with section 18-2-423, MCA.

Section 18-2-423, MCA, requires that employees receiving an hourly wage must be paid on a weekly basis. Each contractor, subcontractor, and employer must maintain payroll records in a manner readily capable of being certified for submission under section 18-2-423, MCA, for not less than three years after the contractor's, subcontractor's, or employer's completion of

work on the public works contract.

All contractors and employers shall classify each employee who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification, or type of employee established by the Commissioner of the Montana Department of Labor and Industry, and shall pay each such employee a rate of wages not less than the standard prevailing rate as specified in the Montana Prevailing Wages Rates for Nonconstruction Services 2003. The booklet containing these 2003 rates is attached to this Contract and made a part thereof by reference.

4. DNA

CONTRACTOR will comply with MDOC Policy 1.5.13, DNA Testing/Collection of Biological Samples by following the procedures outlined within the policy or utilizing a community resource to obtain DNA samples from designated offenders. Upon an applicable offender's release or return to custody, CONTRACTOR will forward written documentation [of the conducted sampling] to the supervising P&P Office or appropriate facility.

K. Fiscal Management/Reporting

1. Annual Reports

CONTRACTOR must have an independent financial audit conducted annually, at its expense, and submit these to the Prerelease Contract Manager no later than December 31st of each calendar year.

2. No Adverse Change

On an annual basis, CONTRACTOR must certify by signature of its authorized representative, that since the date of CONTRACTOR'S most recent financial statements, there has not been any material adverse change in CONTRACTOR'S business or condition, nor has there been any change in the assets or liabilities or financial condition from that reflected in the financial statements which is material to CONTRACTOR'S ability to perform its obligations under this Contract. If requested, CONTRACTOR agrees to provide DEPARTMENT with a copy of its most recent financial statement, related to this specific Contract.

L. Hold Harmless and Indemnification

1. CONTRACTOR agrees to be financially responsible (liable) for any audit exceptions or other financial loss to DEPARTMENT due to the negligence, intentional acts, or failure for any reason to comply with terms of this Contract.

2. CONTRACTOR agrees to protect, defend, indemnify, and hold harmless the DEPARTMENT, its elected and appointed officials, agents and employees from and against all claims, causes of action, damages, losses and expenses, of any kind or character, including but not limited to attorneys' fees and the costs of defense, arising in favor of CONTRACTOR'S employees or third parties on account of bodily injury, sickness, disease, death, personal injury, violation of an offender's constitutional or statutory rights, or to injury to or destruction of tangible property except for such claims, causes of action, damages, losses or expenses which are solely due to the fault or negligence of the party seeking indemnity.

M. Insurance

1. **General Requirements:** CONTRACTOR shall maintain for the duration of the Contract, at its cost and expense, insurance against claims for injuries to persons or damages to property, including contractual liability, which may arise from or in connection with the performance of the work by CONTRACTOR, agents, employees, representatives, assigns, or subcontractors. This insurance shall cover such claims as may be caused by any negligent act or omission.

   **Primary Insurance:** CONTRACTOR'S insurance coverage shall be primary insurance as respect to the State, its officers, officials, employees, and volunteers and shall apply separately to each project or location. Any insurance or self-insurance maintained by the State, its officers, officials, employees or volunteers shall be in excess of CONTRACTOR'S insurance and shall not contribute with it.

   **Deductibles and Self-Insured Retentions:** Any deductible or self-insured retention must be declared to and approved by DEPARTMENT. At the request of DEPARTMENT either: (1) the insurer shall reduce or eliminate such deductibles or self-insured retentions as respects the State, its officers, officials, employees, and volunteers; or (2) CONTRACTOR shall procure a bond guaranteeing payment of losses and related investigations, claims administration, and defense expenses.

   **Certificate of Insurance/Endorsements:** A certificate of insurance from an insurer with a Best's rating of no less than A- indicating compliance with the required coverage's must be received by the Contracts Management Bureau, PO Box 201301, Helena, MT 59620-1301 prior to start of work under this Contract. CONTRACTOR must immediately notify DEPARTMENT of any material change in insurance coverage, such as changes in limits, coverage's, policy status, etc. DEPARTMENT reserves the right to require complete copies of insurance policies at all times.

2. **Specific Requirements for Commercial General Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors.

   **Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insurers for liability arising either on account of CONTRACTOR'S acts or omissions causing the violation of any individual's civil rights, or bodily or personal injuries, death, or damage to property, or on account or arising out of services performed or the omissions of services.

   **Specific Requirements for Automobile Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for bodily injury, personal injury, and property damage of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, or negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors.

   **Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insured's for automobiles leased, hired, or borrowed by CONTRACTOR.

**Specific Requirements for Professional Liability:** CONTRACTOR shall purchase and maintain occurrence coverage with combined single limits for each wrongful act of $1,000,000 per occurrence and $2,000,000 aggregate per year to cover such claims as may be caused by any act, omission, negligence of CONTRACTOR or its officers, agents, representatives, assigns or subcontractors. Note: if "occurrence" coverage is unavailable or cost prohibitive, CONTRACTOR may provide "claims made" coverage provided the following conditions are met: (1) the commencement date of the Contract must not fall outside the effective date of insurance coverage and it will be the retroactive date for insurance coverage in future years; and (2) the claims made policy must have a three year tail for claims that are made (filed) after the cancellation or expiration date of the policy.

**Additional Insured Status:** The State, its officers, officials, employees, and volunteers are to be covered as additional insurers for liability arising either on account of CONTRACTOR'S acts or omissions causing the violation of any individual's civil rights, or bodily or personal injuries, death, or damage to property, or on account or arising out of services performed or the omissions of services.

N. Public Information

CONTRACTOR recognizes that this Contract is subject to public inspection pursuant to Article 2, § 9 of the Montana Constitution.

O. Assignment/Transfer/Subcontractors

CONTRACTOR shall not assign, sell, transfer, subcontract or sublet rights, or delegate duties under this Contract, in whole or in part, without the prior written approval of DEPARTMENT. No such written approval shall relieve CONTRACTOR of any obligation of this Contract and any transferee or subcontractor shall be considered the agent of CONTRACTOR. CONTRACTOR shall remain liable as between the original parties to the Contract as if no such assignment had occurred.

1. CONTRACTOR must keep DEPARTMENT informed about programmatic and health services work that CONTRACTOR subcontracts by submitting all subcontracts to the Prerelease Contract Manager for review and approval at least 30 days prior to beginning of performance of the contract. DEPARTMENT shall submit its approval or revision recommendation in writing to CONTRACTOR.

P. Amendments/Changes

All amendments to this Contract shall be in writing and signed by the parties.

Q. Contract Termination

1. Termination for Cause with Notice to Cure Requirements.

DEPARTMENT may terminate this contract for failure of CONTRACTOR to perform any of the services, duties, or conditions contained in this contract after giving CONTRACTOR written notification of the stated failure. The written notice [documented by certified mail] must demand performance of the stated failure within a specified period of time of not less than sixty (60) calendar

days. If the demanded performance is not completed within the specified period, the termination is effective at the end of the specified period.

CONTRACTOR may terminate this Contract for failure of DEPARTMENT to perform any of the services, duties, or conditions contained in this Contract after providing DEPARTMENT with a written notification of the stated failure to perform. The written notice must demand performance of the stated failure to perform within a specified period of time of not less than sixty (60) days. If the demanded performance is not completed within the specified period, or at an agreed upon later date, the termination is effective at the end of the specified period. In the event CONTRACTOR exercises its right of termination, CONTRACTOR shall comply with the Procedure upon Termination set forth below in subsection 6.

2. Reduction of Funding

DEPARTMENT must terminate this contract if funds are not appropriated or otherwise made available to support continuation of performance of this contract in a subsequent fiscal period. (See section 18-4-313(4), MCA)

3. Termination for Contractor Insolvency

In the event of filing a petition for bankruptcy by or against CONTRACTOR, DEPARTMENT shall have the right to terminate the Contract upon the same terms and conditions as termination for default. Additionally, DEPARTMENT may terminate under the same terms and conditions as termination for default in the following circumstances:

a. CONTRACTOR applies for or consents to the appointment of a receiver, trustee or liquidator of itself or of all or a substantial part of its assets;

b. CONTRACTOR files a voluntary petition in bankruptcy;

c. CONTRACTOR admits in writing its inability to pay its debts as they become due;

d. CONTRACTOR makes a general assignment for the benefit of creditors;

e. CONTRACTOR files a petition or an answer seeking reorganization or rearrangement with creditors or, as a debtor, invokes or takes advantage of any insolvency law; or

f. A court of competent jurisdiction enters an order, judgment or decree, on the application of a creditor, adjudicating CONTRACTOR as bankrupt or insolvent or approving a petition seeking reorganization of CONTRACTOR or a substantial part of its assets, and such order, judgment or decree continues unstayed for thirty (30) days.

If any of these circumstances occur, DEPARTMENT shall provide CONTRACTOR with written notice of the termination and provide a date when such termination will take effect.

4. Termination Due To Destruction or Condemnation

If the facility is totally or extensively damaged by fire or other casualty so as to prevent or substantially limit CONTRACTOR'S operations, or is condemned for public use by a legally

constituted public authority, either party may terminate the Contract with written notice [documented by certified mail] provided to the other party within sixty (60) calendar days of the casualty or condemnation. The effective date of such termination shall be the date of the occurrence of the casualty or the effective date of the condemnation.

5. DEPARTMENT Procedure upon Termination

Upon delivery to CONTRACTOR of a Notice of Termination specifying the reason of the termination, the extent to which performance of work under the Contract is terminated, and the date on which such termination becomes effective, CONTRACTOR shall:

a. Stop work under the Contract on the date and to the extent specified in the Notice of Termination;

b. Place no further orders for materials, services, or facilities, except as may be necessary for completion of such portion of the work under the Contract that is not terminated;

c. Terminate all orders to the extent that they relate to the performance of work terminated by the Notice of Termination, except as may be necessary to avoid the occurrence of penalty assessments and the continuation of which DEPARTMENT has approved;

d. Assign to DEPARTMENT, or a subsequent contractor as the case may be, in the manner and to the extent directed by DEPARTMENT, all of CONTRACTOR'S right and interest under the orders so terminated, in which case DEPARTMENT or a subsequent contractor shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders;

e. With DEPARTMENT approval or ratification, settle all outstanding liabilities and all claims arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provision of the Contract;

f. Deliver files, processing systems, data manuals, and/or documentation, in any form, to DEPARTMENT at the time and in the manner requested by DEPARTMENT; and

g. Complete the performance of such part of the work as shall not have been terminated by the Notice of Termination.

6. CONTRACTOR Procedure upon Termination

Upon delivery to DEPARTMENT of a Notice of Termination specifying the reason for termination (no cause shown or stated failure to perform) and the date on which such termination becomes effective, CONTRACTOR shall:

a. Stop work under the Contract on the date specified in the Notice of Termination or date negotiated with DEPARTMENT;

b. Place no further orders for materials, services, or facilities except as may be necessary for completion of such portion of work under the Contract to effectively terminate the Contract;

c. Terminate all orders to the extent that they relate to the performance of work terminated by the Notice of Termination;

d. Assign to the DEPARTMENT or a subsequent contractor specified by DEPARTMENT, in the manner and to the extent directed by DEPARTMENT, all of CONTRACTOR'S right and interest under the orders so terminated, in which case DEPARTMENT or a subsequent contractor shall have the right, in its discretion, to settle or pay any or all claims arising out of the termination of such orders;

e. With DEPARTMENT approval or ratification, settle all outstanding liabilities and all claims arising out of such termination of orders, the cost of which would be reimbursable in whole or in part, in accordance with the provisions of this Contract;

f. Deliver files, processing systems, data manuals, and/or documentation, in any form, to the DEPARTMENT at the time and in the manner requested by DEPARTMENT.

CONTRACTOR shall proceed immediately with the performance of the above obligations outlined in section Q above, notwithstanding any delay in determining or adjusting the amount of any item of reimbursable price under this provision.

R. Choice of Law and Venue

The laws of Montana govern this Contract. The parties agree that any litigation concerning this Contract must be brought in the First Judicial District in and for the County of Lewis and Clark, State of Montana, and each party shall pay its own costs and attorney fees (Ref. 18-1-401, MCA).

S. Licensure

CONTRACTOR agrees to provide copies of current licenses and certifications that register CONTRACTOR and any associates performing under this Contract.

T. Integration

This Contract contains the entire agreement between the parties and no statement, promises, or inducements made by either party or agents thereof, which are not contained in the written Contract, shall be binding or valid. This Contract shall not be enlarged, modified, or altered except upon written agreement signed by all parties to the agreement.

U. Severability

A declaration by any court, or any other binding legal source, that any provision of this Contract is illegal and void shall not affect the legality and enforceability of any other provision of this Contract, unless the provisions are mutually dependent.

V. Performance Security/Bond

Not applicable.

W. Liquidated Damages

Not Applicable.

X. Policy and Procedures Changes and Reference List

Incorporated herein is the DEPARTMENT'S ACCD Standard Operating Procedure Manual. Procedures listed in this manual are subject to compliance monitoring. CONTRACTOR may submit written comments on all revisions as provided for in ACCD 1.1.200 Policy Management System. If the DEPARTMENT proposes or considers Administrative Rule or Policy changes affecting CONTRACTOR'S financial operation or the intent of the Contract, DEPARTMENT agrees to negotiate these changes or the Contract prior to implementation of said Administrative Rules or Policies. DEPARTMENT will not implement procedures or policies that affect CONTRACTOR'S financial operation or the intent of the Contract without mutual agreement. Neither CONTRACTOR nor DEPARTMENT will unreasonably withhold agreement.

DEPARTMENT will only make revisions to the procedure manual after a twenty (20)-day (working) review/comment period by both parties. DEPARTMENT will conduct quarterly meetings with Facility Directors and Administrators to review and discuss proposed policy changes, and if necessary, conduct a conference call with CONTRACTOR prior to the quarterly meeting to discuss and review items of an emergent matter. If parties are in disagreement about policies that do not affect CONTRACTOR'S financial operations or the intent of the Contract, final approval is at the discretion of DEPARTMENT.

Upon agreement by both parties, implementation of policy will occur immediately upon finalization and agreement of policy.

CONTRACTOR must follow ACCD Procedure Manual and ACCD 1.1.200 Policy Management System.

Y. Miscellaneous Matters

The parties agree that electronic transmissions, such as e-mails, may be used and considered as written transmissions under the terms of this Contract. The parties agree that where there are references to statutes, policies or administrative rules, those references shall automatically be amended to refer to renumbered statutes, policies, or administrative rules as appropriate.

Z. Completed Contract

DEPARTMENT cannot disburse any payments under this Contract until a fully executed original Contract is returned to the Department of Corrections, Contracts Management Bureau, PO Box 201301, 5 South Last Chance Gulch, Helena, MT 59620-1301.

AA. Alternate Dispute Resolution

Any dispute between the parties concerning any and all matters related to this Contract will be resolved as follows:

a. Step 1: Each party will appoint a person who shall be responsible for administering the resolution procedures regarding claims. Those appointed persons should attempt to settle such

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claim. If they are unable to resolve the claim within thirty (30) days after either party notifies the other that the claim has been referred for resolution, either party may declare that an impasse has been reached and proceed to Step 2.

b. Step 2: Upon declaration of an impasse, the parties will seek mediation by a qualified mediator who will be agreed to by the parties or, if the parties cannot agree to a mediator within thirty (30) days of the decision to mediate, the party seeking mediation will choose the mediator. The cost of the mediation will be split equally between the parties.

   The mediator shall conduct all hearings and meetings in Helena, Montana. If non-binding mediation does not resolve the dispute, parties may proceed to Step 3 set out herein.

c. Step 3: Either party may seek any remedy available under law or the parties may agree to resolve the dispute with binding arbitration.

## 2. Program Requirements and Design

A. Performance Measures

1. Statistical reports

   CONTRACTOR must follow ACCD 1.6.200 Statistical Reports.

2. Outcome Measures

   CONTRACTOR shall track outcome measures for determining "Offender Return Rate" or "Offender Recidivism Rate" by tracking and report to the DEPARTMENT by following ACCD 1.6.300 Contractor Reports, ACCD 1.6.200 Statistical Reports, and ACCD 1.6.201 Outcome Measures.

B. Screening/Eligibility

CONTRACTOR must follow ACCD 4.1.100 Screenings for Incarcerated Adult Offenders.

C. Programming and Curriculum (Specific to RFP or Previous Contracts)

1. CONTRACTOR must follow ACCD 5.1.202 PRC Program Structure.

2. CP&R

   CONTRACTOR must follow ACCD 5.3.100 CP&R.

3. Criminal Thinking Errors

   CONTRACTOR must follow ACCD 5.3.200 Criminal Thinking Errors (CTE).

4. Anger Management

   CONTRACTOR must follow ACCD 5.3.300 Anger Management.

5. Chemical Dependency Programming

   CONTRACTOR must follow ACCD 5.4.100 Chemical Dependency.

6. Victim Services

   CONTRACTOR must follow ACCD 1.8.100 Victim Services, ACCD 1.8.101 Victim-Offender Dialogue, ACCD 1.8.200 Victim Impact Panels, and ACCD 5.3.400 Victimology.

7. KNIGHTS

   Not Applicable

8. Transitional Living Program (TLP)

   CONTRACTOR must follow ACCD 5.1.201 Transitional Living Program for Adult Offenders.

9. Enhanced Supervision Program (ESP)

   CONTRACTOR must follow ACCD 5.1.204 Enhanced Supervision Program.

10. WATCh related programs

    Not Applicable.

11. Booter Aftercare

    Not Applicable.

12. Sanction Programs

    Not Applicable.

13. Extended Treatment Program (ETP)

    Not Applicable.

14. Culinary Arts Program (CAP)

    Not Applicable.

15. ADT Probation Sanction Program

    Not Applicable.

16. Sex Offender Placement

    CONTRACTOR must follow ACCD 3.5.100 Sex Offender Services.

## 3. Offender Management

A. Offender reports

   CONTRACTOR must follow ACCD 1.6.300 Contractor Reports.

B. Offender fees/fines/R&B

   CONTRACTOR must follow ACCD 1.2.700 Offender Money Management.

C. Length of Stay (LOSs)

CONTRACTOR must follow ACCD 5.1.102 Length of Stays.

D. Offender Misconduct & Removal from Facility

CONTRACTOR must follow ACCD 3.4.100 Offender Discipline and ACCD 3.4.101 Disciplinary Codes.

1. Detention

CONTRACTOR must follow ACCD 3.4.102 Offender Removal and Detention. CONTRACTOR will follow ACCD 5.1.104 Warrants for Offenders in ACCD Programs/Facilities.

2. Unlawful Offender Behavior

CONTRACTOR shall report allegations of criminal conduct of offenders to local law enforcement officials and DEPARTMENT. CONTRACTOR shall cooperate with any administrative or criminal investigation regarding an offender. In accordance with P&P 40-2, Offender Informants, under no circumstances may an offender be permitted to act as an operative/informant (i.e. actively engaging in "controlled enforcement" activities that would ordinarily be considered a violation of the law) for law enforcement officials.

E. Escape

CONTRACTOR must follow ACCD 3.2.100 Escape.

F. Transportation/Travel/Driving Privileges

CONTRACTOR must follow ACCD 5.1.103 Offender Travel.

G. Administrative Transfer/Overrides

CONTRACTOR must follow ACCD 4.6.200 Administrative Transfers/Overrides.

H. Security/Counts

1. CONTRACTOR must follow:

a. ACCD 3.1.800 Use of Force and Restraints.
b. ACCD 3.1.2100 Offender Counts and Supervision.
c. ACCD 3.1.1100 Offender Movement Control.
d. ACCD 3.1.1300 Key Control and ACCD 3.1.1400 Tool Control.
e. ACCD 3.1.1700 Searches and Contraband Control.
f. ACCD 3.1.500 Entrance Procedures.
g. ACCD 3.1.300 Logs and Record-Keeping Systems.

I. Drug/Alcohol Testing/UAs

CONTRACTOR must follow ACCD 3.1.2000 Offender Drug and Alcohol Testing Program.

J. Healthcare

CONTRACTOR must follow ACCD 4.5.200 Healthcare Responsibilities, ACCD 4.5.201 Urgent and Emergent Pre-Authorization Process, ACCD 4.5.202 Inmate Worker Healthcare, ACCD 4.5.1000 Level of Therapeutic Care, ACCD 4.5.1500 Offender Health Care Access, ACCD 4.5.1700 Offender Sick Call and ACCD 4.5.2000 Emergency Medical Services.

K. Offender Rights

1. Religion

CONTRACTOR must follow ACCD 5.6.100 Religion.

2. Grievances

CONTRACTOR must follow ACCD 3.3.300 Grievances.

3. Property/Clothing

CONTRACTOR must follow ACCD 4.1.300 Property.

4. Canteen

Not applicable.

5. Legal Assistance

CONTRACTOR must follow ACCD 3.3.200 Legal Assistance.

6. Telephone

CONTRACTOR must follow ACCD 3.3.700 Telephone.

7. Visitation

CONTRACTOR must follow ACCD 3.3.800 Visitation.

## 4. Facility Management

A. Facility Administration

Butte Prerelease/Women's Transition Center is located in Butte, Montana. The physical address of the Butte Prerelease/Women's Transition Center is: 66 W. Broadway, Butte, Montana 59701. The Butte Prerelease/Women's Transition Center will house up to 175 Prerelease offenders.

1. Management

   CONTRACTOR must follow ACCD 2.1.100 Facility Management.

2. Conditions

   CONTRACTOR must follow ACCD 2.1.200 Facility Conditions and Maintenance.

3. Inmate Worker Position

   CONTRACTOR must follow ACCD 5.1.101 Inmate Workers.

4. Laundry

   Laundry services shall be the responsibility of CONTRACTOR.

B. Food Service

CONTRACTOR must follow ACCD 4.3.100 Food Services.

C. Staffing/Certification/Training

To promote public safety and offender accountability, staffing must be adequate to meet safety and Program needs and shall be established in agreement with MDOC and in accordance with the following policies and procedures:

1. Staff Recruitment/Selection/Licensure/Certification

   CONTRACTOR must follow ACCD 1.3.400 Staff Recruitment, Selection, and Licensure/Certification.

2. Staffing Plans/Patterns

   CONTRACTOR must follow ACCD 1.3.401 Staffing Plans/Patterns.

3. Staff Training

   CONTRACTOR must follow ACCD 1.4.100 Staff Training.

4. Background Staff Investigations

   CONTRACTOR must follow ACCD 1.3.402 Background Investigations.

## 5. SIGNATURES

**DEPARTMENT**

Pam Bunke, Administrator
Adult Community Corrections Division

11-21-13
Date

**CONTRACTOR**

Mike Thatcher, Chief Executive Officer
Community, Counseling, and Correctional Services, Inc.

11/26/13
Date

Reviewed for Legal Content by:

Legal Counsel
Department of Corrections

11/21/13
Date

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# TABLE OF CONTENTS

**1. Standard Contract Terms ..... 1**
A. Parties ..... 1
B. Time of Performance ..... 1
C. Liaisons and Notice ..... 1
D. Access to Records – Offender Records/Files/OMIS access ..... 2
E. Access to Facility ..... 2
F. Emergency Preparedness ..... 2
G. Compensation/Billing ..... 4
H. Agency Assistance ..... 8
I. Intellectual Property ..... 9
J. Compliance with Laws ..... 9
K. Fiscal Management/Reporting ..... 11
L. Hold Harmless and Indemnification ..... 11
M. Insurance ..... 12
N. Public Information ..... 13
O. Assignment/Transfer/Subcontractors ..... 13
P. Amendments/Changes ..... 13
Q. Contract Termination ..... 13
R. Choice of Law and Venue ..... 16
S. Licensure ..... 16
T. Integration ..... 16
U. Severability ..... 16
V. Performance Security/Bond ..... 16
W. Liquidated Damages ..... 17
X. Policy and Procedures Changes and Reference List ..... 17
Y. Miscellaneous Matters ..... 17
Z. Completed Contract ..... 17
AA. Alternate Dispute Resolution ..... 17
**2. Program Requirements and Design ..... 19**
A. Performance Measures ..... 19
B. Screening/Eligibility ..... 19
C. Programming and Curriculum (Specific to RFP or Previous Contracts) ..... 19
**3. Offender Management ..... 20**
A. Offender reports ..... 20
B. Offender fees/fines/R&B ..... 20
C. Length of Stay (LOSs) ..... 21
D. Offender Misconduct & Removal from Facility ..... 21
E. Escape ..... 21
F. Transportation/Travel/Driving Privileges ..... 21
G. Administrative Transfer/Overrides ..... 21
H. Security/Counts ..... 21
I. Drug/Alcohol Testing/UAs ..... 22
J. Healthcare ..... 22
K. Offender Rights ..... 22
**4. Facility Management ..... 22**
A. Facility Administration ..... 22
B. Food Service ..... 23
C. Staffing/Certification/Training ..... 23
**5. SIGNATURES ..... 24**