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Gadsden Correctional Facility

Operations and Management Contracts, Exhibits and
Addendums

DMS Contract No. 06/07-093

**REDACTED for PUBLIC RECORDS
REQUEST**

Michael Weber, Chief
Private Prison Monitoring
01/29/2009

**GADSDEN CORRECTIONAL FACILITY
OPERATIONS & MANAGEMENT SERVICES CONTRACT**

This Contract made and entered into on this 10th day of July, 2007, by and between THE STATE OF FLORIDA, DEPARTMENT OF MANAGEMENT SERVICES, BUREAU OF PRIVATE PRISON MONITORING (hereinafter referred to as the "BUREAU") and CORRECTIONS CORPORATION OF AMERICA (hereinafter referred to as the "CONTRACTOR").

WITNESSETH:

Whereas, it is necessary that budget resources be allocated effectively;

Whereas, the Florida Legislature, Chapter 957, Florida Statutes, authorizes the BUREAU to enter into a contract with a private entity for the operation, maintenance, and management of a secure correctional facility housing 1,520-bed, adult female, minimum/medium custody inmates;

Whereas, an Invitation to Negotiate (DMS06/07-093) was issued on December 15, 2006, by the BUREAU in order to select a contractor to operate, maintain, and manage a 1,520-bed, adult female, minimum/medium custody level secure correctional facility located in Gadsden County, Florida.

Now, therefore, in consideration of the agreements contained herein, the parties agree:

**ARTICLE ONE
DEFINITIONS**

The following terms used in this Contract shall, unless the context indicates otherwise, have the meanings set forth below:

ACA: American Correctional Association.

ACA STANDARDS or STANDARDS: The Standards for Adult Correctional Institutions (Fourth Edition, 2003) published by ACA (as heretofore supplemented and as same may be modified, amended, or supplemented in the future).

ADDITIONAL SERVICES: Additional operational and management services required to be furnished by the CONTRACTOR, which are required by changes in ACA Standards, laws, government policies, regulations, or court orders generally applicable to the BUREAU and which cause an increase in the cost of operating and managing the Facility.

AUTHORIZED REPRESENTATIVE: The person designated in writing to act for and on behalf of a party of this Contract, which designation has been furnished to the other party hereto. In the case of the CONTRACTOR, the Authorized Representative shall be designated in writing by its President or any Vice President. The designation of the CONTRACTOR's initial Authorized Representative shall be delivered to the BUREAU no later than the effective date of this Contract. The CONTRACTOR's Authorized Representative may designate other persons to assist such Authorized Representative in the performance of certain obligations required by this Contract. In the case of the BUREAU, the BUREAU Chief is hereby designated as its Authorized Representative. At any time, either party may designate any person as its Authorized Representative by delivering to the other party a

written designation signed, if on behalf of the CONTRACTOR by its President or Vice President, or if on behalf of the BUREAU by the BUREAU Chief. Such designations shall remain effective until new written instruments are filed with or actual notice is given to the other party that such designations have been revoked.

BREACH OF CONTRACT: Any of the events or circumstances described in Article 10.

BUREAU: The Florida Department of Management Services, BUREAU of Private Prison Monitoring.

CONTRACT: This Operation and Management Services Contract, together with all attachments and exhibits hereto, and all amendments and modifications hereof, entered into between and by the BUREAU and the CONTRACTOR.

CONTRACT ADMINISTRATOR: The DMS employee who is primarily responsible for maintaining the official Contract file. As of the Effective Date of the Contract, the Contract Administrator is Patty Davis, 4050 Esplanade Way, Suite 280, Tallahassee, Florida 32399. DMS may appoint a different Contract Administrator, which shall not constitute an amendment to the Contract, by sending notice to the CONTRACTOR.

CONTRACT DOCUMENTS: The Contract, together with the Invitation to Negotiate issued by the BUREAU and the CONTRACTOR's response thereto, all of which documents are attached hereto by reference and become a part hereof. In the event of ambiguity or contradiction among the Contract Documents, the following order of authority shall apply: this Contract, Invitation to Negotiate, CONTRACTOR's response thereto.

CONTRACT MANAGER: The BUREAU employee who is primarily responsible for management and oversight of the Contract and evaluation of the CONTRACTOR's performance of its duties and obligations pursuant to the terms of the Contract. The Contract Manager is currently the BUREAU Chief. The BUREAU may appoint a different Contract Manager, which shall not constitute an amendment to the Contract, by sending notice to CONTRACTOR. Any communication from the CONTRACTOR to the BUREAU relating to the Contract shall be addressed to the Contract Manager.

COURT ORDERS: Any existing or future orders or judgments issued by a court of competent jurisdiction or any existing or future stipulations, agreements, or plans entered into in connection with litigation that are applicable to the operation, management, or maintenance of the Facility or related to the care and custody of inmates at the Facility.

DAY: A calendar day.

DC: The Florida Department of Corrections.

DMS: The Florida Department of Management Services.

FACILITY: The 1,520-bed, adult female, minimum/medium custody secure correctional Facility located in Gadsden County, Florida, and designed and constructed for the detention of minimum/medium custody inmates. Further expansion of this Facility may be authorized by the BUREAU. In the event further expansion of the Facility occurs, per diem and other adjustments will be made upon mutual agreement of the parties.

FIXED EQUIPMENT: Refers to all equipment and systems necessary to the operation of the Facility, which are an integral part of, or permanently attached to, a structure, or permanently connected to the Facility utilities.

FORCE MAJEURE means an act or acts of God (i.e., hurricane, tornado, earthquake, natural fire), riot, act(s) of terrorism, war or national emergency legally excusing the failure to perform any of the terms and conditions of this Contract.

INMATE: Any person within the legal custody of the DC assigned to be housed at the Facility over which DMS has contractual authority.

INMATE DAY: Each day on which an inmate is housed at the Facility, including the first, but not the last day of incarceration as determined by the midnight count of each day.

LEASED FURNISHINGS AND EQUIPMENT: The items of personal property as described in Article 4.2 of this Contract.

MANAGEMENT SERVICES AGREEMENT, OR CONTRACT: This Operation and Management Services Contract, together with all attachments and exhibits hereto, and all amendments and modifications hereof, entered into between and by the BUREAU and the CONTRACTOR.

MEDIUM CUSTODY GRADE: As used herein, refers to a class of inmates who are eligible for placement at a facility with a secure perimeter and require armed supervision for all movement outside the secure perimeter. Such inmates may be transported without armed supervision if in a secure vehicle that does not leave institutional grounds. Transport off institutional grounds, in addition to armed supervision, requires a minimum restraint of handcuffs.

MINIMUM CUSTODY GRADE: As used herein, refers to a class of inmates that are eligible for outside work assignment, but not for placement at a community residential facility.

MOVABLE EQUIPMENT: All furniture and equipment not permanently attached to the Facility.

ON-SITE CONTRACT MANAGER: The employee or employees of the BUREAU designated to monitor the operation of the Facility for contract compliance and to coordinate actions and communications between the DC and the CONTRACTOR. The On-site Contract Manager will be designated by the BUREAU. The On-site Contract Manager will be the official liaison between the BUREAU and the CONTRACTOR on all on-site matters pertaining to the operation and management services of the Facility.

OSHA: The Occupational Safety & Health Administration.

PER DIEM RATE: The total cost charged and paid per inmate, per inmate day for the delivery of operation and management services at the Facility.

PRIVATELY OPERATED INSTITUTION INMATE WELFARE TRUST FUND (POIWF): A trust fund account maintained by the DC that is required by Section 945.215, Florida Statutes, and into which the net proceeds derived from operating inmate canteens, vending machines used primarily by inmates, receipts from telephone commissions, and similar sources shall be deposited monthly.

PUBLIC ENTITY CRIMES: As defined in Section 287.133(1)(g), Florida Statutes, "public entity crime" means a violation of any state or federal law by a person with respect to and directly related to the transaction of business with any public entity or with an agency or political subdivision of any other state or with the United States, including, but not limited to, any bid or Contract for goods or services to be provided to any public entity or an agency or political subdivision of any other or of the United States and involving antitrust, fraud, theft, bribery, collusion, racketeering, conspiracy, or material misrepresentation.

SERVICE COMMENCEMENT DATE: The date on which the CONTRACTOR shall begin providing operations and management services at the Facility under this Contract, the date which shall be July 10, 2007.

STATE: The State of Florida, including the Florida Department of Management Services or any other state government entity referenced therein. These terms may be used interchangeably.

SUBCONTRACT: An agreement entered into by the CONTRACTOR with any other person or entity to perform any performance obligation for the CONTRACTOR specifically related to securing or fulfilling the CONTRACTOR's obligations to the BUREAU under the terms of this Contract.

SUBCONTRACTOR: Any person or entity other than an employee of the CONTRACTOR who performs or agrees to perform any of the CONTRACTOR's obligations under the terms of this Contract.

TRANSFER AGREEMENT: The Cooperative Transfer Agreement between the BUREAU, the CONTRACTOR, and the DC, which establishes guidelines for transfer of inmates between the Facility and facilities operated by the DC.

UNFORESEEN CIRCUMSTANCES: Those acts or occurrences beyond the reasonable contemplation of the parties at the time of execution of this Contract that materially alter the financial conditions upon which this Contract is based.

ARTICLE TWO **SCOPE OF WORK**

Article 2.1 Purpose. The purpose of this Contract is to establish the terms and conditions under which the CONTRACTOR shall operate and manage the Facility.

ARTICLE THREE **TERM OF THE CONTRACT AND REPRESENTATIONS**

Article 3.1 Term. This Contract shall commence at 12:01 a.m. on the Service Commencement Date and terminate June 30, 2010, unless terminated earlier pursuant to Article 10 of this Contract. The BUREAU may renew the Contract for additional two-year periods by giving written notice to the CONTRACTOR of its desire to do so at least one hundred twenty (120) days before the original or any subsequent termination date with concurrence of the CONTRACTOR.

Article 3.2 Representations of the BUREAU. The BUREAU represents and warrants to and for the benefit of the CONTRACTOR, with the intent that the CONTRACTOR will rely thereon for purposes of entering into this Contract, as follows:

3.2.1 **Authorization.** This Contract has been duly authorized, executed, and delivered by the BUREAU and, assuming due execution and delivery by the BUREAU constitutes a legal, valid, and binding agreement enforceable against the BUREAU in accordance with its terms.

3.2.2 **Disclosure.** There is no material fact which materially and adversely affects or in the future will (so far as the BUREAU can now reasonably foresee) materially and adversely

affect the BUREAU's ability to perform its obligations under this Contract which has not been accurately set forth in this Contract or otherwise accurately disclosed in writing to the CONTRACTOR prior to the date hereof.

3.2.3 Statutory Contingency. The State's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Florida Legislature, pursuant to Section 287.0582, Florida Statutes; the State is not obligated for any payments that exceed the amount of the current appropriation, pursuant to Section 957.04(1)(h),(2)(d), Florida Statutes.

Article 3.3 Representations of CONTRACTOR. The CONTRACTOR represents and warrants to and for the benefit of the BUREAU, with the intent that the BUREAU will rely thereon for purposes of entering into this Contract, as follows:

3.3.1 Organization and Qualification. The CONTRACTOR has been duly incorporated and is validly existing as a corporation in good standing under the laws in its jurisdiction of incorporation with power and authority to own its properties and conduct its business as presently conducted. The CONTRACTOR is duly qualified to do business as a corporation in good standing in Florida.

3.3.2 Authorization. This Contract has been duly authorized, executed, and delivered by the CONTRACTOR, and constitutes a legal, valid, and binding agreement enforceable against the CONTRACTOR in accordance with its terms.

3.3.3 No Defaults under Agreement. The CONTRACTOR is not in default, nor is there any event in existence which, with notice or the passage of time or both, would constitute a default by the CONTRACTOR, under any indenture, mortgage, deed of trust, lease, loan agreement, license, security agreement, contract, governmental license or permit, or other agreement or instrument to which it is a party or by which any of its properties are bound and which default would materially and adversely affect the CONTRACTOR's ability to perform its obligations under this Contract.

3.3.4 Compliance with Laws. Neither the CONTRACTOR nor its officers and directors purporting to act on behalf of the CONTRACTOR have been advised, and have no reason to believe, that CONTRACTOR or such officers and directors have not been conducting business in compliance with all applicable laws, rules, and regulations of the jurisdictions in which the CONTRACTOR is conducting business including all safety laws and laws with respect to discrimination in hiring, promotion or pay of employees or other laws affecting employees generally, except where failure to be so in compliance would not materially and adversely affect the CONTRACTOR's ability to perform its obligations under this Contract.

3.3.5 No Litigation. Except as previously disclosed in writing to the BUREAU, there is not now pending nor, to the knowledge of the CONTRACTOR, threatened, any action, suit, or proceeding to which the CONTRACTOR is a party, before or by any court or governmental agency or body, which might result in any material adverse change in the CONTRACTOR's ability to perform its obligations under this Contract, or any such action, suit, or proceeding related to environmental or civil rights matters: and no labor disturbance by the employees of the CONTRACTOR exists or is imminent which might be expected to materially and adversely affect the CONTRACTOR's ability to perform its obligations under this Contract.

3.3.6 Taxes. The CONTRACTOR has filed all necessary federal, state, and foreign income

and franchise tax returns and has paid all taxes as shown to be due thereon; the CONTRACTOR has no knowledge of any tax deficiency which has been or might be asserted against the CONTRACTOR which would materially and adversely affect the CONTRACTOR's ability to perform its obligations under this Contract.

3.3.7 Financial Statements. The CONTRACTOR has delivered, or will deliver, to the BUREAU copies of the following financial statements with all sub schedules and footnotes: a balance sheet, profit and loss statement, and a change in financial position schedule for each of the prior three (3) years. Such financial statements fairly present the financial position of the CONTRACTOR at the date shown and the results of its operations for the periods covered, and have been prepared in conformity with generally accepted accounting principles applied on a consistent basis, except as discussed in the notes to the financial statements.

3.3.8 No Adverse Change. Since the date of the CONTRACTOR's most recent balance sheet provided to the BUREAU, there has not been any material adverse change in the CONTRACTOR's business or condition, nor has there been any change in the assets or liabilities or financial condition of the CONTRACTOR from that reflected in such balance sheet which is material to the CONTRACTOR's ability to perform its obligations under this Contract.

3.3.9 Disclosure. There is no material fact which materially and adversely affects or in the future will (so far as the CONTRACTOR can now reasonably foresee) materially and adversely affect CONTRACTOR's ability to perform its obligations under this Contract which has not been accurately set forth in this Contract or otherwise accurately disclosed in writing to the BUREAU prior to the date hereof. Failure to disclose such material facts, as described above, is grounds for termination for false representation.

ARTICLE FOUR POSSESSION

Article 4.1 Possession of Facility. On the Services Commencement Date effective the date of this Contract, the BUREAU shall grant to the CONTRACTOR exclusive use, possession, and control of the land and property comprising the Facility and its grounds, subject to terms of this Contract and to the right of the BUREAU and other appropriate parties to enter and/or inspect the Facility and its grounds pursuant to Article 4.10. The design of the Facility will be owned by the State of Florida.

Article 4.2 Possession of Leased Furnishings and Equipment. On the Services Commencement Date, the BUREAU will grant the CONTRACTOR exclusive use and possession, subject to the terms of this Contract, of leased furnishings and equipment. Items purchased with state funds are owned by the State of Florida and shall remain with the Facility in the event of termination or non-renewal of this Contract. All furnishings and equipment are State property, except for CONTRACTOR Property as set forth under Article 4.5.

Article 4.3 Inventory. The CONTRACTOR shall prepare and/or maintain an inventory of leased furnishings and equipment. Such inventory shall include the manufacturer, model number, serial number, monetary value (purchase cost), and assigned identification number. Leased furnishings and equipment shall remain part of the Facility and may not be removed from the Facility, without prior written approval from the On-site Contract Manager. The BUREAU shall be entitled to conduct an inventory of leased furnishings and equipment prior to or within a reasonable time after the Services

Commencement Date, and shall be entitled to conduct an inventory of leased furnishings and equipment throughout the Term of this Contract. The CONTRACTOR shall cooperate with the BUREAU in its conducting of all inventories of leased furnishings and equipment.

Article 4.4 Replacement of Inventory. The CONTRACTOR, subject only to furnishings, fixtures, and equipment covered by Article 4.9, shall replace inventory with like items having like functional ability, life expectancy and quality within sixty (60) days of the date of discovery of loss, theft, damage or inoperability beyond repair. Such replacement items shall be added to the inventory and shall become the property of the State. The On-site Contract Manager shall be notified quarterly, in writing, when an item of leased furnishings and equipment is replaced. Such notification must include all pertinent information (including a copy of the purchase receipt showing purchase cost, manufacturer, model number, serial number and assigned identification number) for the replaced item. Inoperable items replaced by the CONTRACTOR shall be disposed of by the CONTRACTOR with prior approval by the BUREAU.

Article 4.5 CONTRACTOR Property. The CONTRACTOR will provide such other furnishings, fixtures, and equipment as it deems necessary, which shall be clearly identified and inventoried. Ownership of this property shall remain with the CONTRACTOR and may be removed from the premises at any time by the CONTRACTOR, provided that any damage to the Facility resulting from any removal pursuant to this Article shall be repaired by the CONTRACTOR at the CONTRACTOR's expense. Any additional furnishings, fixtures, and equipment purchased by the CONTRACTOR during the term of this Contract may be purchased by the BUREAU at the conclusion of the Contract at the CONTRACTOR's cost, less depreciation. Documentation of costs shall be provided.

Article 4.6 Sanitation and Hygiene. The CONTRACTOR shall provide an environmentally clean, healthy, and safe Facility for both employees and inmates as follows:

- A. Sanitation and hygiene will be maintained, at a minimum, at a level equivalent to the level maintained at DC facilities. All floors, including concrete, shall be waxed and buffed. All areas of the Facility shall be maintained free of cobwebs or dust build-up, including ceiling and wall grills. The grounds will be free of all trash. All kitchen equipment and utensils shall be free of grease build-up.
- B. All areas of the Facility shall be inspected regularly for cleanliness and such inspections shall be documented.
- C. Lighting, ventilation and heating equipment shall be functioning at all times.
- D. No fire, safety or health hazards shall exist.
- E. All plumbing equipment, including toilets, sinks, and showers shall be operating properly at all times.
- F. All hazardous chemicals shall be inventoried, stored and maintained in accordance with OSHA's policy and procedures.
- G. Food service areas shall be clean and in compliance with applicable state health regulations.

Article 4.7 Utilities. The CONTRACTOR shall furnish all utilities.

Article 4.8 Maintenance. The CONTRACTOR shall maintain the physical structure of the Facility and all tangible personal property contained therein, including leased furnishings and equipment, in accordance with applicable ACA Standards and Article 4.9, including all maintenance related to

structural conditions or defects as well as ordinary routine maintenance. The CONTRACTOR shall maintain, preserve and keep the Facility and leased furnishings and equipment in good repair, working order and condition, subject to normal wear and tear. The CONTRACTOR shall promptly make or cause to be made all necessary and proper repairs, including those identified by self-monitoring and the BUREAU's inspections. All such replacements and renewals shall thereupon become part of the Facility. The CONTRACTOR shall develop and implement a preventive and routine maintenance plan and will keep maintenance records. During the term of this Contract, the BUREAU shall have no responsibility, financial or otherwise, with respect to maintenance of the Facility other than that explicitly provided for under Article 4.9. Maintenance of the Facility shall be the sole responsibility of the CONTRACTOR.

The maintenance plan shall include the following:

- (1) Plant equipment;
- (2) Structural maintenance; and
- (3) Vehicle preventive maintenance programs

Article 4.9 Major Maintenance and Repair Reserve Fund. The CONTRACTOR shall make and be responsible for all routine and necessary repairs of the Facility, and shall be responsible for the repair and replacement of all Facility furnishings, fixtures, and equipment, so long as the cost associated with any such maintenance, replacement, or repair is \$5,000 or less (per item, per occurrence). Routine and necessary repairs shall be defined as any maintenance, replacement, or repair work which has a cost of \$5,000 or less (per item, per occurrence). "Per item, per occurrence" requirement shall be strictly construed by the BUREAU, and aggregation of individual items or occurrences is not permitted.

On the first day of each month, the BUREAU will deduct 1/12 of \$161,256.84 (\$13,438.07 monthly) from the Facility's man-days billing and transfer said amount to the Grants and Donations Trust Fund.

Requests for reimbursement for maintenance or repair costs in excess of \$5,000 shall be submitted to the BUREAU Chief. Approval or denial of requests is at the BUREAU Chief's sole discretion. Upon receipt of written approval from the BUREAU Chief, the costs of such major maintenance or repairs shall be charged to the Major Maintenance and Repair Reserve Fund. The BUREAU shall be the owner of such fund, and the CONTRACTOR shall have no rights, other than as set forth herein, in such fund or in any fund earnings.

Article 4.10 Access to the Facility. The On-site Contract Manager, the BUREAU Chief, DC representatives, or other designated representatives from DMS or the BUREAU shall have full access at all times, with or without notice, to inmates and staff and to all areas of the Facility. Other BUREAU employees and State officials on official business (including, but not limited to, the Governor's Office of Program, Policy and Government Accountability), shall have full access to inmates, staff, and all areas of the Facility, at all times, with or without notice.

Article 4.11 Expansion/Renovations. Subject to the prior written approval of the BUREAU, the CONTRACTOR shall have the authority to remodel the Facility or make substitutions, alterations, additions, modifications, and improvements to the Facility from time to time. For any work under this Article, the CONTRACTOR must use, and must document the use of, materials of equal or greater quality. All costs associated with remodeling, substitutions, alterations, additions, modifications, and improvements shall be paid by the CONTRACTOR, and the same shall become part of the Facility. Minor alterations may be done at the CONTRACTOR's expense, without prior approval from the BUREAU.

Article 4.12 Material Damage or Loss. Promptly after the occurrence of any damage to or loss at

the Facility that materially affects the continued operation of the Facility, the CONTRACTOR shall notify the BUREAU of such loss or damage. The BUREAU and the CONTRACTOR shall jointly assess the nature and extent of such damage or loss and, as soon as practicable thereafter, determine whether it is practicable and desirable to rebuild, repair or restore such damage or loss. If the BUREAU and the CONTRACTOR determine that such rebuilding, repairing or restoring is practicable and desirable, the CONTRACTOR shall proceed with such rebuilding, repairing or restoring. Upon the completion thereof, such rebuilding, repairing or restoring shall thereupon become part of the Facility. In such case, any insurance proceeds received in respect to such damage or loss shall be used for payment of, or reimbursement for, the costs of such rebuilding, repairing or restoring. In the event such insurance proceeds are not sufficient to pay in full the costs of such rebuilding, repairing or restoration, the CONTRACTOR is responsible for any and all amounts due in excess of insurance proceeds received. If the BUREAU and the CONTRACTOR determine, in writing, that rebuilding, repairing or restoration is not feasible or practical, and further agree, in writing, not to rebuild, repair or restore the Facility, then this Contract shall automatically terminate thirty (30) days after the date of such written agreement.

Article 4.13 Vehicles. The CONTRACTOR shall purchase and provide all vehicles required for the operation and maintenance of the Facility. The CONTRACTOR shall have all vehicles properly insured for comprehensive, collision, property, medical, personal injury, theft and replacement damages.

ARTICLE FIVE OPERATION

Article 5.1 General Duties. The CONTRACTOR shall provide the operation and management services and shall operate, maintain, and manage the Facility in compliance with applicable federal and state constitutional requirements, laws, court orders, and DC standards, whether now in effect or hereafter effected or implemented, and in accordance with the operational plan, the terms and conditions contained in this Contract, and any documents referenced therein. The CONTRACTOR shall be in compliance with all applicable ACA Standards and requirements for adult correctional institutions, and shall maintain ACA accreditation. The CONTRACTOR may submit a written request for a specific exemption from ACA Standards to the BUREAU Chief, who may, at his/her sole discretion, grant or deny the request. In the case of a conflict between any of the standards or requirements listed above, the more demanding standard or requirement will control. Pursuant to section 957.04(1)(e), Florida Statutes, the CONTRACTOR may propose a waiver of a particular DC rule, policy, or procedure that is inconsistent with the mission to establish and maintain cost-effectiveness at the Facility. Such proposals shall be submitted to the BUREAU Chief, who may, at his/her sole discretion, grant or deny such a waiver in writing to the CONTRACTOR. All decisions by the BUREAU Chief under this Article are final and not subject to appeal or challenge by the CONTRACTOR in any civil or administrative forum, nor subject to any mediation or arbitration proceedings.

Article 5.2 Fiscal Operations. The CONTRACTOR shall comply with all of the following requirements concerning fiscal operations, including but not limited to, the proper maintenance of accounting records and the periodic report of financial data in accordance with all auditing requirements as generally provided for in Articles 5.3 through 5.8.

Article 5.3 Maintenance and Operation of Funds. The CONTRACTOR shall maintain its books and records in accordance with generally accepted accounting principles in reasonable detail to include, but not limited to, groups of accounts for Facility operations, health services, substance abuse programs, educational services programs, food services, security services, maintenance and administration.

Article 5.4 Operation of Inmate Bank. The CONTRACTOR shall maintain Inmate Bank funds separate and apart from other funds and shall abide by DC policy and procedure directives as regarding the same.

Article 5.5 Operation of the Privately Operated Institutions Inmate Welfare Trust Fund (POIIWTF). The CONTRACTOR shall maintain the Privately Operated Institutions Inmate Welfare Trust Fund (POIIWTF) accounts in accordance with all applicable standards and DC rules and regulations. Funds in the POIIWTF may be appropriated annually by the Legislature for the benefit and welfare of inmates incarcerated in privately operated correctional facilities. By July 1 of each year, the CONTRACTOR must submit a list of expenditures to be made from the trust fund for the next fiscal year to the BUREAU to be reviewed by the Privately Operated Institutions Inmate Welfare Trust Fund (POIIWTF) Committee. The POIIWTF Committee will make its recommendation to the Secretary of DMS to be considered by the Legislature in the allocation of funds. In accordance with 60AA-203.101, Florida Administrative Code, planned expenditures must cover expenses for unique and innovative programs, items or activities for the inmates at the Facility. Proposed expenditures from the POIIWTF for contractually required programs will not be authorized. Also, the CONTRACTOR must compile a report that documents the actual receipts and expenditures from the POIIWTF for the previous fiscal year and the projected receipts and expenditures for the next fiscal year, beginning July 1 and ending June 30, and provide such to the BUREAU.

Expenditures for operational cost and fixed capital outlay made from the POIIWTF must meet the guidelines of Section 945.215, Florida Statutes, and applicable terms of this Contract. The vendor is responsible for contracting and overseeing the construction of fixed capital outlay projects authorized by the Legislature. All operations and fixed capital outlay projects and expenditures must be approved by the BUREAU. Expenditures made from the POIIWTF may not include items included in the CONTRACTOR's response to the ITN.

Article 5.6 Auditing of Trust Accounts. The CONTRACTOR shall develop and update, as necessary, with the approval of the BUREAU, administrative procedures to ensure proper accounting and internal control of the receipts and expenditures of the funds from the Commissary Account and the POIIWTF. The CONTRACTOR shall have an independent audit of the Commissary Account conducted on an annual basis and the results of the audit will be submitted to the BUREAU. CONTRACTOR will send to the BUREAU a monthly report of deposits and expenditures made to the POIIWTF. This report should include deposits and expenditures made to the commissary account.

Article 5.7 Financial Reporting. Annual financial statement, prepared in accordance with GAAP and clearly distinguishing Inmate Bank and POIIWTF, shall be filed not later than July 1st of each year.

The financial statement shall consist of, at a minimum:

- a. **Inmate Bank Fund:** Accounting of the Inmate Bank fund, including a spreadsheet showing all account actions for the relevant time period for each account and the balance if any at the time of submission of the statement;
- b. **POIIWTF:** A statement of revenues, expenses, and statement of budgeted and actual expenditures (detailed by object code).

Article 5.8 SEC Reports. The CONTRACTOR shall, on a timely basis, provide the BUREAU with copies of all annual reports on Form 10-K, quarterly reports on Form 10-Q and reports on Form 8-K required to be filed by the CONTRACTOR with the Securities and Exchange Commission. Prior to the execution of this Contract, the CONTRACTOR shall provide the BUREAU with its most recent Form 10-K and any Form 10-Q's or Form 8-K's filed.

Article 5.9 ACA Accreditation. The CONTRACTOR shall maintain ACA accreditation for the Facility pursuant to and in accordance with the terms of Section 957.04(1)(c), Florida Statutes. The

CONTRACTOR shall maintain ACA accreditation for the duration of the Contract term. The CONTRACTOR must provide a detailed plan addressing the CONTRACTOR's maintaining ACA accreditation through the term of the Contract. The CONTRACTOR's failure to comply with this section will be considered a violation of the terms of this Contract, subjecting the CONTRACTOR to the assessment of liquidated damages and/or termination of the Contract by the BUREAU at the BUREAU's discretion pursuant to Article Ten.

Article 5.10 Classification and Assignment of Inmates.

- A. The CONTRACTOR shall provide a classification program that is in accordance with all applicable standards and DC rules and regulations. The CONTRACTOR shall provide suitable office space at the Facility for one (1) or more DC classification officers, as may be determined by the DC, to conduct classification services. The CONTRACTOR may not make any change in an inmate's custody level, but may recommend custody level changes to the DC for approval.
- B. Beginning on the Services Commencement Date, inmates will be assigned to the Facility by the DC at a rate not to exceed capacity of the Facility in accordance with the following:

1,520-bed, adult female, minimum/medium custody level; the inmates transferred by the DC shall represent a cross section of the 1,520-bed, adult female, minimum/medium custody inmate population, and be mentally, physically, and medically capable of participating in the programs; prior completion of the initial classification process at a DC facility; accompanied by all initial classification and subsequent reviews and other necessary documentation; accompanied with a complete medical record, including chest X-ray; and accompanied by documentation of the amount contained in the inmate's Commissary account with the funds to be forwarded by the DC to the Facility within ten (10) days of receipt of the inmate, in compliance with Chapter 33, Florida Administrative Code.

If an inmate does not meet the qualifications or classification level necessary for classification to the Facility and the CONTRACTOR is aware of this before acceptance, the CONTRACTOR may refuse to accept an inmate. If an inmate is later found not to meet the qualifications or classification level necessary for classification to the Facility, the CONTRACTOR may request the transfer of unqualified or improperly classified inmates to a DC facility pursuant to Articles 5.12 and 5.14.

Article 5.11 Orientation of Inmates. CONTRACTOR shall conduct an orientation program for newly assigned inmates with the program meeting minimum standards as outlined in Chapter 33-601.100, Florida Administrative Code.

Article 5.12 Transfer of Inmates. Certain circumstances may require an inmate's transfer out of the Facility. These circumstances include custody changes resulting from disciplinary infractions or other behavior in the Facility; medical and psychiatric transfers, as initiated by medical staff at the Facility; disciplinary transfers in accordance with the CONTRACTOR's disciplinary procedures; emergency transfers that involve extreme circumstances not normally found at the Facility; administrative transfers used in witness protection cases; or to adjust operational capacities. The CONTRACTOR may be required to transport non-routine transfers such as emergency medical, emergency mental health, court orders, protective management, etc. Non-routine transports will be determined by the DC by the nature of the request and its urgency. In the event that a dispute exist between the CONTRACTOR and the DC relating to non-routine transports and an agreement cannot be reached on a transport request, the BUREAU will have the final decision.

The CONTRACTOR may request, in writing, that an inmate be transferred from the Facility. The BUREAU, the CONTRACTOR, and the DC shall comply with the terms of the Cooperative Transfer Agreement when transferring inmates between a correctional facility operated by the DC and a privately operated facility. In the event that an agreement cannot be reached on a transfer request, the BUREAU will have the final decision on which inmates may be transferred from the Facility. Any decision by the BUREAU Chief is final and not subject to appeal or challenge by the CONTRACTOR in any civil or administrative forum, nor subject to any mediation or arbitration proceedings.

Article 5.13 Release of Inmates. The CONTRACTOR will release inmates in compliance with the DC's policy pertaining to release and the requirements of Rules 33-601.501-503, 60AA-601.501-503, F.A.C., which establishes the procedure to be followed in providing a discharge gratuity and travel to eligible inmates upon their release. The CONTRACTOR shall follow procedures which are substantially identical to those in Rules 33-601.501-503, 60AA-601.501-503, F.A.C., and make payment from its fund to eligible inmates. The DC shall not reimburse the CONTRACTOR for discharge gratuity payments made.

Article 5.14 Transportation of Inmates. The CONTRACTOR shall not be responsible for inmate transportation from the DC to the Facility or from the Facility to the inmate's destination upon transfer except as provided for in Article 5.12. The CONTRACTOR will be responsible for transporting inmates to the hospital or outside medical appointments, and will be responsible for discharge transportation in compliance with Rules 33-601.503 and 60AA-601.503, F.A.C., "Discharge Transportation".

Article 5.15 Inmate Discipline. The CONTRACTOR will develop and implement a system of inmate rules and disciplinary procedures in compliance with the Standards and penalties consistent with those imposed by the DC. Disciplinary hearings will be conducted by the CONTRACTOR's staff who will make recommendations to the DC classification staff. The DC's classification staff shall either accept those recommendations or prepare a written statement in which good cause for a rejection of those recommendations are established. In the event that a recommendation is rejected by the DC's classification staff, the CONTRACTOR shall have a right of administrative appeal to Regional Director of Institutions for the region in which the Facility is located. The decision of the Regional Director of Institutions, in the event of any such administrative appeal, shall be final and not subject to appeal or challenge by the CONTRACTOR in any civil or other administrative forum, not subject to any mediation or arbitration proceeding.

Article 5.16 Inmate Visitation. The CONTRACTOR shall provide all space, furniture, equipment, and supervision necessary to implement a visitation program in compliance with the Standards. Contact visitation will be provided as determined by an inmate's custody level and disciplinary status.

Article 5.17 Drug Testing. The CONTRACTOR shall conduct a random drug testing program consistent with DC requirements. The program shall also include random anabolic steroid testing of 5% of all certified staff annually, subject to DC guidelines with which the CONTRACTOR shall reasonably comply. Monthly random testing will be performed and reports must be submitted to the BUREAU regarding the testing results.

Article 5.18 Inmate Mail and Telephone.

- A) The CONTRACTOR shall provide for mail and telephone services in compliance with the Standards. As required by Section 945.215, Florida Statutes, net receipts from telephone commissions shall be sent to the DC and deposited monthly in the Privately Operated Institutions Inmate Welfare Trust Fund (POIIWTF), using the procedure outlined in Article 5.5. Expenditures from the POIIWTF must meet the guidelines of

Section 945.215, Florida Statutes, and may not include items that are part of the Contract. The telephone service provider for the Facility shall be responsible for the repair and maintenance of any equipment it installs. However, the CONTRACTOR shall take all reasonable precautions to prevent damage to the equipment. The CONTRACTOR will provide computer hardware for administration of the inmate telephone system. The CONTRACTOR shall comply with all state, federal and local laws, including the DC's rules, policies and procedures regarding inmate access to telephones found in Chapter 33, Florida Administrative Code.

- B) The CONTRACTOR shall develop and update, as necessary, with the approval of the BUREAU, administrative procedures to verify that: contracted telephone companies accurately record and report all telephone calls made by inmates incarcerated in the Facility; persons who accept collect calls from inmates are charged the contracted rate; and the funds are deposited into the telephone revenue account and transmitted monthly into the POIIWTF.

Article 5.19 Use of Force. The CONTRACTOR will develop and implement use of force policies and procedures in compliance with ACA Standards.

Article 5.20 Inmate Personal Property. The CONTRACTOR shall develop and implement policy and procedures for handling and disposing of inmate property. Such procedures shall be in compliance with DC rules, regulations and other applicable standards provided in Chapter 33, Florida Administrative Code, and the United States Constitution.

Article 5.21 Inmate Grievance Procedure. The CONTRACTOR will develop and implement an inmate grievance system that meets or exceeds the requirements of federal guidelines established under 42 U.S.C. § 1997e (2005).

Article 5.22 Sentence Computation. The CONTRACTOR shall provide the DC with data and information relating to sentence computation. The decision with respect to sentence computation rests exclusively with the DC.

Article 5.23 Gain Time, Change of Custody and Furloughs. The CONTRACTOR will provide specific information and recommendations to the DC regarding the award or forfeiture of gain time, change of custody or granting furloughs. Decisions rest exclusively with the DC. In the event that a recommendation is rejected by the DC, the CONTRACTOR shall notify the DC's Office of Institutions in Central Office in Tallahassee, Florida.

Article 5.24 Security.

- A) Security Services: [REDACTED]

- B) Security Operations: [REDACTED]

- C) Body Alarms: [REDACTED]

[REDACTED]

D) Emergency Plans:

[REDACTED]

E) Emergency Squads:

[REDACTED]

F) Security Staff Utilization:

[REDACTED]



Article 5.25 Food Service. The CONTRACTOR will provide a food service program in compliance with Section 957.04(1)(f), Florida Statutes, and the ACA Standards. The CONTRACTOR is responsible for providing a variety of services including diet at least equal to those provided by the DC in comparable facilities.

The CONTRACTOR shall provide all food, staffing and supervision of preparation for the total delivery of food service at the Facility. The CONTRACTOR shall provide a full service kitchen with separate dining tables for inmates and staff.

1. Menu:

- a. The CONTRACTOR may use a menu that provides the same caloric and dietary requirements as menus provided in comparable DC facilities, subject to DC certification of menu. The CONTRACTOR shall serve two (2) hot meals per day in accordance with ACA Standards, with the exception of sack lunches or other special diets, as directed by medical staff, or the Warden in the case of an emergency.
- b. The CONTRACTOR shall make provisions for providing sack lunches for inmate work crews in compliance with the applicable DC standards.

2. Delivery of Food:

- a. **General Population:** The delivery of food for the general population inmates is normally provided in cafeteria style in the Facility's inmate dining room. Alternate methods may be proposed by the CONTRACTOR, subject to written approval by the BUREAU.
- b. **Staff/Employees/Official Visitors:** The CONTRACTOR shall provide separate dining tables for staff, employees and official visitors; however, the same food prepared for inmates shall be served to staff, employees, and official visitors. This requirement does not apply to inmate visitation participants.
- c. **Confinement/Infirmary:** Inmates who are housed in confinement or infirmaries shall be fed in the confinement units or infirmary, whichever is appropriate.

- d. Medical Diets: The CONTRACTOR shall prepare all medical diets in accordance with the recipes and menus in the DC's Modified Diets Component of the Master Menu and account for the number of inmates receiving such diet.
3. Religious Diets/Alternate Entrée: The Facility's Chaplain has the authority under the Florida Administrative Code to approve and facilitate religious diets. Except in rare circumstances, requirements for religious diets are met by the Master Menu through the alternate entree program. A non-meat protein source is designated on each daily menu as an alternate to the main entree. Any inmate may choose between either the main entree or the designated alternate.
4. Records must be maintained indicating daily menus and number of meals served. Substitutions to the pre-approved menus must be clearly documented and the CONTRACTOR must ensure that substitutions made are of equivalent nutritional and caloric value to the original item.
5. The CONTRACTOR shall develop a written policy and procedure for delivery of food in case of an emergency (examples: non-delivery of food, riots, natural disasters, man-made disasters, strikes, equipment failure).
6. The CONTRACTOR shall develop and implement a written plan for sanitation and rodent control which includes all kitchen/dining space, appliances, supplies and equipment.
7. The CONTRACTOR shall develop a preventive maintenance schedule for the food service equipment, as applicable. All tools, knives and utensils must be locked in a controlled environment, inventoried, and signed in and out in accordance with DC policy.
8. All foods and/or condiments of a high security risk shall be locked in a controlled environment in accordance with DC policy.

Article 5.26 Inmate Commissary and Vending Services.

- A. Inmates shall have access to a commissary for purchase of goods. The CONTRACTOR will provide an inmate commissary and may provide for the placement in the Facility of one or more vending machines for use by the inmate's visitors. Items for resale must be priced comparably with like-items for retail sale at fair market prices.
- B. As required by Section 945.215, Florida Statutes, the net proceeds derived from operating inmate canteens, vending machines used primarily by inmates, receipts from telephone commissions, and similar sources shall be sent to the DC and deposited monthly in the Privately Operated Institutions Inmate Welfare Trust Fund (POIIWTF).
- C. Funds necessary to purchase items for resale in the commissary and inmate vending machines shall be deposited into a local bank account established by the CONTRACTOR and approved by the BUREAU, hereinafter called the "Commissary Account."
- D. The CONTRACTOR shall make expenditures from the Commissary Account to purchase items for resale in the commissary and for other items as contemplated in Section 945.215, Florida Statutes. The CONTRACTOR will send to the BUREAU a monthly report of deposits and expenditures made to and from the POIIWTF. This report should include deposits and expenditures made to and from the Commissary Account.

Article 5.27 Health Care Services. The CONTRACTOR will provide medical, dental and mental health services in compliance with the Standards, that include the following:

Dental/Physical/Mental Health Services: The CONTRACTOR shall provide, or cause to be provided, all dental, physical, and mental health services in accordance with all applicable Florida laws and

consistent with the judicial orders and consent agreements entered into by the State of Florida in Celestineo v. Singletary, 147 F.R.D. 258 (M.D.F.L. 1993). The CONTRACTOR shall be subject to the provisions of Sections 945.601, 945.6031, 945.6035, and 945.35, Florida Statutes. The CONTRACTOR shall stand in the place of the DC for purposes of the referenced statutes. Accordingly, pursuant to Section 945.6031(2), Florida Statutes, the Facility shall be subject to comprehensive surveys by the State of Florida Correctional Medical Authority (CMA) of the dental, physical, and mental health care systems at least triennially (at least once every three years). The CONTRACTOR shall designate a Chief Health Officer (CHO) for the Facility who shall submit reports to the DC (and Director of Health Services, as required) for all clinical matters. Any and all contracts for the provision of dental, physical, and/or mental health services to an inmate shall be reviewed by the CMA, prior to the operation of said contracts. After review, CMA recommendations will be presented to the BUREAU Chief and the DC. The CMA review shall not imply, or permit the inference of, any approval authority by the CMA over the contracts prior to operation. Approval authority for any and all contracts rests solely with the BUREAU.

Limitations on inpatient hospitalization costs: If, in the opinion of the on-site CHO, the inmate cannot be properly treated at the Facility, he/she shall refer the inmate to a medical facility that can provide the necessary treatment. A list of medical facilities to which inmates can be referred for off-site care will be agreed on separately by the DC and the CONTRACTOR. In the event that the DC and the CONTRACTOR cannot mutually agree on a list of medical facilities that can provide the necessary treatment, the BUREAU will make the final decision. Any decision by the BUREAU Chief is final and not subject to appeal or challenge by the CONTRACTOR in any civil or administrative forum, nor subject to any mediation or arbitration proceedings. The CONTRACTOR shall not be responsible for inpatient hospitalization costs, including any surgery and specialty services, in amounts greater than \$15,000, per inmate, per admission, or for costs incurred after five (5) days of hospitalization, whichever comes first. If inpatient hospitalization costs exceed \$15,000, or if hospitalization exceeds five (5) days, as described above, such costs shall be paid by the DC, or, as necessary, such costs shall be reimbursed to the CONTRACTOR by the DC. If an inmate is considered by the on-site CHO to be medically, physically, or mentally incapable of participating in the programmatic activities (which have been specifically designed to reduce recidivism) for greater than two (2) weeks, the CONTRACTOR may request in writing for the DC to transfer the inmate or, alternatively, provide in writing to the BUREAU valid reasons for the failure to do so. If the CONTRACTOR's request asserts that the inmate is not medically, physically, or mentally capable of participating in the programmatic activities, specific information and/or documentation must be provided that indicates which programmatic activities the inmate is incapable to participate in and an explanation of the cause.

The CONTRACTOR shall be responsible for providing security for any inmate admitted to a hospital during the initial period of inpatient hospitalization for which the CONTRACTOR is responsible. Should the necessity of security provided by the CONTRACTOR continue beyond the initial period, such security shall be provided by the CONTRACTOR. However, the CONTRACTOR shall be reimbursed the hourly wage, including benefits, for every hour each officer is required to provide such supplemental security. The supplemental security should be provided in accordance with the DC's procedures. Any such inmate will be included in the CONTRACTOR's Midnight Strength Report for any midnight during which the CONTRACTOR is furnishing security for such inmate. The CONTRACTOR shall notify the BUREAU and the DC as soon as possible (within twelve (12) hours) any time an inmate is admitted to a hospital.

Medical Services: The CONTRACTOR shall be responsible for the following: all inmate medical costs for care provided at the facility to include emergency outpatient care, pharmaceutical services, initial intake screening for medical, dental and mental health pre-existing conditions, detoxification of substance

abusers, medically required eyeglasses, hearing aids, and dentures; regularly scheduled chronic illness clinics conducted under the direct supervision of the CHO for the following conditions: diabetes; respiratory; cardiovascular; seizure disorder; tuberculosis preventive therapy; general medicine; immunodeficiency; and hepatitis C; an infectious disease education program for inmates which will be consistent with the DC's existing health education program for HIV and AIDS as described in Section 945.35, Florida Statutes. No more than 32% of the population shall be M2 and/or M3 (previously P2 and P3); there can be a 1% variance. No more than 7% of the population shall be Special Needs; there can be a 1% variance. No more than 11.6% of the population shall be S3 at any one time; there can be a 1% variance. The CONTRACTOR must follow requirements outlined in Section 945.355, Florida Statutes.

Inmate Co-Payment: The CONTRACTOR shall be responsible for collecting a medical co-payment for each inmate-initiated, non-emergency visit to a health care provider as required by Section 945.6037, Florida Statutes. The fees collected will be retained by the CONTRACTOR and the same amount will be deducted from the monthly management payment billing submitted by the CONTRACTOR to the BUREAU. All co-payments must be noted in the Offender Based Information System and accounted for in the medical record. A monthly report of co-payments will be included with the management payment billing.

Chief Health Officer (CHO): The CONTRACTOR shall designate a CHO for the Facility who shall submit reports to the DC (and Director of Health Services, as required) for all clinical matters.

Health Education Program: The CONTRACTOR shall develop, subject to DC approval, an inmate health education program. To promote this health education process, informational programs shall be made available based on the requirements of Florida Statutes and assessed educational needs of the inmates. Selected topics for these programs may include but are not limited to:

- 1) Personal hygiene;
- 2) Nutrition;
- 3) Physical fitness;
- 4) Stress management;
- 5) Sexually transmitted diseases;
- 6) Chemical dependency;
- 7) Tuberculosis and other communicable diseases;
- 8) Effects of smoking;
- 9) HIV/AIDS;
- 10) Hypertension/Cardiac;
- 11) Epilepsy;
- 12) Diabetes;
- 13) Dermatology; and
- 14) Rehabilitation.

An infectious disease education program for inmates, which will be consistent with the DC's existing health education program for HIV and AIDS as described in Section 945.35, Florida Statutes.

Quality Management: The CONTRACTOR shall establish and maintain a Clinical Quality Management program that maintains full compliance with DC rules and regulations and the DC Office of Health

Services Technical Instructions that pertain to:

- 1) Quality Management
- 2) Infection Reporting to the Department of Health
- 3) Infection Control Program
- 4) Medical Peer Review Committees
- 5) Clinical Risk Management Program
- 6) Mortality Review Program

The CONTRACTOR will also maintain full compliance with the policies and procedures pertaining to quality assurance and quality indicators that are currently being revised by the Office of Health Services.

Health Assessment at Intake: The CONTRACTOR shall ensure all inmates being admitted to the Facility are provided a comprehensive health assessment/examination by a physician in accordance with DC guidelines upon intake into the Facility. This shall include screening and evaluation as required by the applicable standards and the requirements provided herein, by medical personnel immediately upon arrival at the Facility. The preliminary screening shall be documented in the inmate's case file and include the following:

Inquiry into:

- 1) Current illness
- 2) Communicable diseases
- 3) Alcohol/chemical abuse history
- 4) Medications currently being taken
- 5) Dental status
- 6) Chronic health problems

Observation of:

- 1) State of consciousness
- 2) Mental status
- 3) Appearance
- 4) Conduct
- 5) Bodily deformities and ease of movement
- 6) Signs of trauma, bruises, lesions, jaundice, rashes and infestations, and needle marks or other indications of drug abuse

Explanation of procedures for access to health and dental services shall be provided to inmates both orally and in writing via the Inmate Handbook. The handbook will be provided by the DC, along with additional information necessary to inform the inmate about unique Facility operations.

Referrals: All routine referrals shall be approved by the CHO and outside referrals shall be made only when appropriate. Coordination and compliance with the DC's utilization review program requirements is mandatory. Appropriate referral logs shall be maintained and available for review upon request.

Staffing of Health Care Professionals: The CONTRACTOR shall employ only candidates who have

appropriate Florida licensure and certification and who have provided letters of recommendation. Each candidate will be subject to a credentials review and approval process with individual certification that the employee has the requisite training, experience and licensure or certification necessary to perform the duties assigned. The credentials process must meet or exceed the requirements of Florida Law. All Physicians, Advanced Registered Nurse Practitioners (ARNPs), Psychologists, Psychological Specialists, Physicians' Assistants and Dentists or clinical equivalents of these position titles employed by the CONTRACTOR shall be credentialed. The CONTRACTOR shall provide a certification statement on each individual to the Director of the DC's Office of Health Services certifying that the credentials of each individual have been reviewed and he/she is certified as qualified to perform the duties assigned.

Medical Records: The CONTRACTOR shall ensure that all health care unit staff document each health care encounter in the Problem-Oriented Medical Record utilizing the SOAP format, (including DC approved forms) as outlined in DC rules, Technical Instructions and Florida Statutes.

The CONTRACTOR shall ensure that each health record is complete, accurate and contains sufficient documentation to warrant the treatment rendered and that each entry is made in a timely manner. This shall include requesting, and documenting the request for, all available previous medical records and composing a medical history.

The CONTRACTOR shall ensure that all medical record procedures concerning confidentiality are followed. Medical records shall remain the property of the DC and information contained in a medical record shall not be released to anyone who is not legally authorized to receive it.

The CONTRACTOR shall ensure that each medical record complies with the Florida Statutes, DC rules, Technical Instructions, the Health Record Manual, HIPAA, and other applicable laws, rules and regulations.

Other General Health Service Requirements: Routine transportation of inmates for medical visits, consultations, diagnostics studies and hospital admissions shall be the responsibility of the CONTRACTOR.

Subject to the approval of the DC, hospitalization or other specialty care which is required in follow-up to a previous surgery or procedure shall be referred to the provider or Facility originally providing the services.

CONTRACTOR's personnel shall establish regular meetings with representatives from the designated hospital and other providers to coordinate the referral of inmates. Policies and procedures shall be developed by CONTRACTOR regarding referral methods, scheduling, transportation, reporting of test results, medical records, acute care hospitalization and patient follow-up, subject to approval by the DC.

Article 5.28 Physical Health Services.

- A. Chronic Illness Clinics: The CONTRACTOR shall provide regularly scheduled chronic illness clinics conducted under the direct supervision of the CHO for the following conditions:
- 1) diabetes;
 - 2) respiratory;
 - 3) cardiovascular;
 - 4) seizure disorder;
 - 5) tuberculosis preventive therapy;
 - 6) general medicine;
 - 7) immunodeficiency; and

8) hepatitis C.

B. Sick Calls: The CONTRACTOR shall ensure sick calls are provided in accordance with DC guidelines and internal directives of the Facility.

C. Emergency Care Services: Emergencies shall be taken to the nearest hospital approved by the DC. The CONTRACTOR shall ensure the availability of emergency treatment through predetermined arrangements with local hospitals. If an inmate needs to be transferred by air, the CONTRACTOR shall use appropriate aviation assets. All ambulances utilized shall be equipped with life support systems and shall be operated by personnel trained in life support that are currently certified by the State of Florida. The CONTRACTOR shall obtain documentation of State certification and keep it on file at the Facility. The CONTRACTOR shall be responsible for the cost of all emergency air ambulance or land ambulance transportation.

The following service requirements shall be met to ensure that qualified emergency treatment is provided:

- 1) In-service education on first aid and emergency procedures.
- 2) Written policies and procedures concerning emergency transfer and transportation of inmates.
- 3) Arrangements for emergency 24-hour on-call physician coverage.
- 4) Coordination with security for arrangements when the emergency transfer of an inmate is indicated.
- 5) Cardiopulmonary Resuscitation (CPR) Basic Training for all Health Services staff and other designated departmental staff members.

D. HIV Testing: The CONTRACTOR shall provide testing for HIV infection under the following conditions:

- 1) Upon request by the inmate;
- 2) When there is evidence that an inmate, while at the Facility, has engaged in high-risk behavior, as established in Section 945.35, Florida Statutes, for transmitting or contracting HIV;
- 3) If the inmate has a positive tuberculosis skin test or active TB; or
- 4) Any other condition deemed medically necessary by the appropriate medical practitioner.

E. Infection Control Program: The CONTRACTOR shall provide for an Infection Control Program at the Facility. The program will include, but is not limited to, concurrent surveillance of patients and staff, prevention techniques, and treatment and reporting of infections in accordance with local and state laws.

F. Special Medical Programs: The CONTRACTOR shall provide a "special medical program" for inmates who require close medical supervision including chronic and convalescent care. The plan of treatment shall include directions for health care staff and correctional staff regarding their roles in the care and supervision of the inmates. The special medical program shall service a broad range of health problems, including, but not limited to, seizure disorders, diabetes, hypertension and AIDS.

G. Optical Services: The CONTRACTOR shall provide for Optical Services, including eye examinations performed on-site or off-site and in accordance with ACA Standards and

DC bulletins. A qualified optometrist shall examine inmates with specific complaints.

H. Infirmatory Care and Hospitalization: The CONTRACTOR shall provide infirmatory care in the Facility's nine (9) hospital/observation beds for inmates requiring skilled nursing care, chronic illness care, convalescent care, and all acute and chronic conditions which can be managed on-site which includes, but is not limited to, the following:

- 1) 24-hour coverage, supervised on-site by a Registered Nurse;
- 2) Daily rounds by nursing staff;
- 3) 24-hour Physician on-call coverage;
- 4) Physician shall conduct rounds no less than one time per day, Monday through Friday.

In addition, the CONTRACTOR shall develop a manual of nursing care procedures and ensure that a medical record is established for each patient receiving care pursuant to this sub-paragraph H. All encounters by a health care provider shall be documented in the inmate's medical record.

If, in the opinion of the on-site CHO, the inmate cannot be properly treated at the Facility, the inmate shall be referred to a Facility that can provide the necessary treatment, which has been mutually agreed to by the DC and CONTRACTOR to provide hospital-based services for the DC's inmates.

Those inmates requiring care beyond the extent to which services are required by this sub-paragraph H shall be hospitalized at a licensed community facility. Routine admission from the Facility shall be made to a hospital facility approved by the DC. Recommendations for hospitalization, with the exception of emergency situations, shall require review and approval by the on-site CHO. Hospital admissions that arise from emergency situations shall be reviewed by the on-site CHO within 48 hours of admission.

Treatment, care or medical procedures including, but not limited to, surgery or prosthetics, initiated at the Facility, shall be completed prior the clearance of the inmate for transfer to another DC facility, with the exception of emergency disciplinary, medical or mental health transfers. Services may be provided at the receiving facility and billed to the CONTRACTOR, or, with the approval of the DC and the BUREAU, the inmate may be returned to the sending Facility.

The CONTRACTOR shall be responsible for all levels of care, including Secondary or Tertiary level of care, for permanent inmates assigned to the Facility.

Article 5.29 Dental Health Services. The CONTRACTOR will provide inmate dental health services that conform to the DC's Dental Care Manual and the Standards in accordance with:

- Chapter 466, Florida Statutes
- American Correctional Association standards
- American Dental Association standards
- Florida Board of Dentistry Rules
- Center For Disease Control Standards
- Occupational Safety and Health Administration Standards

The CONTRACTOR shall provide emergency and comprehensive dental care, consistent with all applicable laws, rules, regulations and practicing standards. This includes reexamination,

complete and partial dentures, crowns and bridges when indicated, operative, endodontics, periodontics and oral surgery. Prevention of dental diseases must be stressed along with oral hygiene education. The CONTRACTOR shall have back-up coverage when the Facility's dentists are not available.

All Facility dentists shall be currently licensed in the State of Florida and be in good standing with the Florida Board of Dentistry. Copies of such licensure shall be maintained by the Facility.

If applicable, all dental prosthetics shall be provided by the CONTRACTOR through PRIDE of Florida Dental Laboratory. Clinical oversight of the Facility's dentists shall be provided by the DC's Office of Health Services' Director of Dentistry. The CONTRACTOR's provision of dental services shall include the following components:

- A. Initial intake screening within five (5) workdays of arrival; and
- B. Development of a dental treatment plan that includes:
 - 1) Prioritization of needs;
 - 2) Counseling on oral hygiene;
 - 3) Fillings, cleaning and prosthesis; and
 - 4) Dentistry based on preventive care and complaint-oriented care.

Article 5.30 Mental Health Services. The CONTRACTOR shall ensure that inmate mental health care is delivered in a manner that complies with all state and federal laws, rules and regulations contained herein. The DC publication, "Mental Health Services Plan," provides guidelines on how the DC has organized its mental health care system. Inmates are assigned to a correctional facility according to the mental health grade assigned during the health assessment each inmate receives upon incarceration with the State. Throughout the term of the Contract, the CONTRACTOR shall utilize the mental health grading assignment system utilized by the DC and shall comply with the DC's Mental Health Services Plan.

The CONTRACTOR shall provide Mental Health Services to inmates that include, but are not limited to, the following:

- A. Screening and orientation of all new arrivals.
- B. Evaluation of each inmate housed in administrative or disciplinary confinement or protective/close management on or before the 30th consecutive day and every 90th day thereafter.
- C. Additional screening of each sex offender to determine need and amenability to treatment.
- D. Psychological evaluation at the request of the Parole Commission or Facility staff.
- E. Case management for all inmates who require treatment. Case management consists of various activities designed to facilitate medically necessary care and to monitor its impact.
- F. Psychiatric assessment of those inmates referred for possible pharmacological intervention.
- G. Routine psychiatric review of all inmates requiring such pursuant to DC standards and the rules and regulations referenced herein, including review of adjustment to Facility, medication efficacy, and medication review.
- H. Individualized Service Plans, regularly updated for inmates requiring such plans pursuant

to DC rules and regulations and any applicable standards referenced herein, and for other inmates receiving ongoing monitoring and/or care.

- I. Nursing staff will provide medication distribution and medication education for all inmates requiring such pursuant to DC standards and the rules and regulations as described herein and as determined by each inmate's service plan, routine assessment of medication side effects, and monitoring of medication compliance.
- J. Regular group and/or individual counseling for all inmates requiring such pursuant to DC standards and the rules and regulations as described herein, and others in need of treatment.
- K. Crisis intervention and timely referral of inmates who require a higher level of care than what is available at the Facility.

Additional contractual responsibilities will be:

- L. Ongoing training of other Facility staff on relevant mental health topics.
- M. Supervision of non-doctoral psychological staff by a doctoral psychologist.
- N. Thorough documentation of service delivery in the inmate's medical record.
- O. Maintenance of logs of workload and service delivery.
- P. Updating various screens in the Health Service component of the Offender Based Information System (OBIS-HS).
- Q. Regular monitoring of inmates with mental health needs to ensure that appropriate counseling services are provided.
- R. Psychotropic medications as prescribed by a duly licensed medical practitioner for inmates.
- S. Counseling programs.
- T. Providing an intensive substance abuse treatment program as part of the Inmate Reintegration Program.

Article 5.31 Pharmacy Services. The CONTRACTOR shall provide Pharmacy Services and such services will be performed in strict compliance with applicable Florida Statutes, Florida Board of Pharmacy Rules, Federal Drug Enforcement Administration Rules, DC Policies and Procedures and all other applicable rules and regulations referenced herein.

The Pharmacy shall be permitted to provide all pharmacy services for medication distribution at the Facility as required by Chapters 465 and 893, Florida Statutes. This may be effected by utilizing on-site pharmacies, mail order pharmacies or any pharmacy process meeting the requirements in this section.

The CONTRACTOR shall establish a Facility Pharmacy and Therapeutic Committee that shall make determinations regarding pharmacy services provided by the CONTRACTOR.

The CONTRACTOR shall provide coverage on-site or on-call by a licensed pharmacist 24 hours a day, 7 days a week. Each pharmacist performing services under the Contract shall be reachable by beeper.

The CONTRACTOR shall provide, furnish and supply pharmaceutical and drugs to the Facility utilizing a "unit dose" method of packaging. Unit doses of medication to be administered by nursing staff are to be provided in a patient specific format. If each dose is individually labeled and packaged, the label shall include the drug name, strength, lot number, expiration date and manufacturer. If a modified unit dose system such as a card or blister pack is utilized, each card or pack shall be labeled as a prescription. Prescriptions shall minimally be labeled to include the inmate name and number, drug name, dosage,

directions (frequency of administration) prescribing physician, pharmacist's initials, date, quantity of tablets, manufacturer, lot number and expiration date and any applicable warnings or dietary instructions.

The CONTRACTOR may provide liquid psychotropic medications in unit doses, individually labeled, with manufacturer, lot number, expiration date and date packaged listed. If the CONTRACTOR utilizes pill form psychotropic medications, the necessary precautions must be taken to prevent inmate "cheeking" or other means of retaining medications without ingestion.

The CONTRACTOR shall strictly comply with the DC's formulary in all cases unless the DC approves a medication exception request.

The CONTRACTOR shall provide other medications in liquid unit dose properly labeled as specified by the CHO.

The CONTRACTOR shall provide injectable medications as required.

The CONTRACTOR shall provide hypodermic supplies to include needles and syringes and disposal containers that are tamper proof and puncture resistant. The CONTRACTOR shall be responsible for appropriate disposal and/or destruction of needles and syringes with documentation.

The CONTRACTOR shall provide on-site STAT dose capability for emergency stock of drugs in unit dose packages to be used in emergency situations or until regular delivery of medications can resume. The specific drugs and quantities shall be determined by the CHO in conjunction with the Facility's Pharmacy and Therapeutics Committee.

The CONTRACTOR shall provide emergency drugs in sealed emergency kit(s) as requested by the CHO.

In accordance with all governing DC rules and regulations, the CONTRACTOR shall provide and fill all prescriptions for inmates leaving on writ or discharge for a maximum of thirty (30) days or in sufficient quantity to complete the current prescription. In no event shall an inmate on maintenance medications be released or sent to another facility without at least seven (7) days supply of such medication. The medication should be provided to the transferring officer along with the transfer summary.

The CONTRACTOR shall properly package all medications in light- and/or humidity-resistant containers as appropriate.

The CONTRACTOR shall label each prescription container to include inmate name, inmate number, inmate location, date, medication name, strength, instructions, prescribing physician, quantity, pharmacist's initials, prescription number and warnings.

The CONTRACTOR shall package non-controlled, non-abusable medications in not more than a month's supply as directed by the Facility's CHO. If the quantity is larger than 120 tablets, the supply shall be dispensed not to exceed 120 tablets with appropriate refills.

The CONTRACTOR shall maintain copies of all prescriptions issued to inmates in a permanent file on-site for a period of three (3) years. Copies will be provided to the DC upon request.

The CONTRACTOR shall maintain appropriate documentation, including, but not limited to, inventory records, controlled drug perpetual inventory, patient profiles and cost data for financial records. All documentation shall be made available for review by the Warden and the DC's Office of Health Services' Director of Pharmacy, or designated representatives of DMS.

The CONTRACTOR shall document and maintain a medication administration record to include all information contained on the prescription label and the name of the practitioner who prescribed the medication.

The CONTRACTOR shall perform in-service training for staff according to a schedule mutually agreed upon and approved by the DC.

The CONTRACTOR shall provide a licensed pharmacist to perform third party drug utilization reviews as requested by the DC's Clinical Quality Management Committee.

The CONTRACTOR shall provide a licensed consultant pharmacist to conduct monthly inspections of all institutional areas where medications are maintained. Inspection shall include, but not be limited to, the expiration dates, storage and a periodic review of medication records. The consultant pharmacist's monthly inspection report shall be completed. One copy shall remain in the pharmacy and a second copy shall be sent to the DC's Director of Pharmacy.

The CONTRACTOR shall provide a Pharmacist to serve as chairperson of the Facility's Pharmacy and Therapeutics Committee and to consult on-site and by telephone with the CHO and staff as requested.

Article 5.32 Laboratory Services. The CONTRACTOR shall provide Laboratory Services for all medically necessary and appropriate diagnostic laboratory procedures in accordance with the requirements set forth below:

All STAT laboratory work shall be performed at a local hospital or accredited laboratory nearest the Facility. Results shall be telephoned immediately to the requesting Licensed Independent Practitioner and a written report shall follow within 24 hours.

Non-urgent laboratory services may be provided to the Facility by the DC's laboratory services contracted provider or by the CONTRACTOR under a written arrangement. The most cost-effective process may be utilized subject to prior Office of Health Services' approval. However, the subcontracted laboratory must be in compliance with all applicable requirements of Chapter 483, Florida Statutes, and the Standards as described herein. If the CONTRACTOR provides any in-house laboratory testing, it must also be in compliance with the appropriate provisions of Florida law. If only waived tests are conducted, the CONTRACTOR must obtain a Certificate of Exemption from the Agency for Healthcare Administration.

Services shall include, but not be limited to:

- A. Laboratory supplies and required equipment (i.e., centrifuges).
- B. Pick-up and delivery on a daily basis, or as needed Monday through Friday.
- C. Printer installed at the Facility, to provide test results (FACSIMILE NOT ACCEPTABLE).
- D. Immediate telephone contact with written reporting capability within 24 hours.

The CONTRACTOR will provide a physician/ARNP who shall check, initial and date all laboratory results within an appropriate time, not to exceed 24 hours (weekends excluded), to assess the follow-up care indicated and to screen for discrepancies between the clinical observations and the laboratory results. In the event that the laboratory report and the clinical condition of the patient do not appear to correlate, it shall be the responsibility of the physician/ARNP to make a clinical assessment, and to provide appropriate follow-up, which shall include reordering of the lab tests.

Article 5.33 Radiology Services. The CONTRACTOR shall provide Radiology Services for all medically necessary and appropriate diagnostic X-ray procedures, subject to the prior approval of the DC's Office of Health Services. All services shall be provided in accordance with applicable state and local regulations for equipment and personnel licensure.

The CONTRACTOR shall ensure that X-ray films are read by a radiologist. The radiologist shall call the Facility CHO/ARNP with any report requiring immediate intervention. The CONTRACTOR shall ensure that a written report, on the appropriate DC form, is forwarded as required. All emergency X-rays that are required at times other than normal working hours shall be performed at a local facility. A physician/ARNP shall review, initial and date all X-ray reports within a reasonable time.

Article 5.34 Inmate Programmatic Services. The CONTRACTOR shall provide Inmate Programmatic

Services including academic and vocational programs that have the objective of reducing recidivism by assuring the successful reintegration of the inmates back into society upon release from incarceration. Such services shall be initiated upon the Service Commencement Date, that will be maintained continuously and will be certified by the appropriate governing agency(ies). Teacher's and Instructor's credentials must meet or exceed all applicable requirements of Florida Law. The inmate participation requirements set forth in Exhibit 1 shall be reevaluated annually and adjusted as necessary by mutual agreement of the parties through an addendum to this Contract; any reduction in inmate participation requirements shall be accompanied by a corresponding reduction under Article 7.1.

In addition, the CONTRACTOR may utilize volunteers for programs that will contribute to leisure time, religious educational programs, or that in the CONTRACTOR's judgment may contribute to inmates' adjustment in the Facility or upon release. Volunteers shall be screened according to the established DC policy.

All inmate programs are subject to reporting requirements of the state and federal government. All programs must be offered on a continuous basis. Teacher/instructor ratios are to be reasonable to accomplish this goal, and once approved are subject to the vacant positions requirements of the Contract. The CONTRACTOR shall achieve and maintain performance measures for these programs as stated in the Contract and shall provide the BUREAU with a quarterly status report indicating whether the programs' goals have been met or the reason why the goals have not been met.

Types of program services to be provided include, but are not limited to the following:

- A. Industry Programs that are specialized to meet current needs of the Facility and or the DC. The industry program will be designed to impart knowledge and develop skills that are essential for success in meeting the needs of the Facility and or the DC, with adequate experience to enable the inmate to obtain outside employment. Actual work-based projects are to be included in the learning activities. Industry programs must have specific performance measures: number enrolled, number participated, number completed, number certified, etc., with the goal of placing as many inmates as feasible in a work program to benefit the state and maintain security in the Facility. The custody level of the inmate is to be a consideration in establishing and assigning inmates to industry programs. The program may include subcontractors to accomplish the program goals.
- B. Release Preparation or Pre-Release classes emphasizing resources in the community to aid in transition.
- C. Intervention classes to offenders with violent histories at a minimum of two times per year, and more often if the population turnover warrants. These classes may be included with Life Management skills classes. Cognitive behavior and self-help programs are encouraged.
- D. Religious Services shall be made available to all inmates who wish to participate in accordance with the Standards and the United States Constitution. Services may be provided by a Chaplain(s) hired by the CONTRACTOR, or by qualified volunteers. If the CONTRACTOR chooses to depend upon volunteer services and said services prove to be inadequate to meet the needs of the inmates as determined by the BUREAU, then the CONTRACTOR shall hire one or more Chaplains at no additional cost.
- E. Organized weekly religious services shall be offered. Volunteers from the community may be utilized to assist in offering a variety of religious programs. Religious activities must be afforded in accordance with applicable federal and state laws. Pastoral qualifications of employees or volunteers in this program must meet the minimum qualifications required by the DC.

- F. Wellness Program which includes indoor and outdoor recreation and leisure time programs for the inmates in compliance with the applicable and corresponding Constitutional standards and the Standards provided herein.
- G. Substance Education Abuse Program that provides individual and group counseling for inmates that complies with the Standards and includes mental Health Care and Crises Intervention Services, etc.

Article 5.35 Program Plan. CONTRACTOR shall provide a plan for providing academic and vocational programs to inmates ("Program Plan"), to be initiated upon the Service Commencement Date, that will be maintained continuously and certified by the appropriate governing agency(ies). The CONTRACTOR shall include as an attachment to this Contract a list and complete description of all programs (Behavioral, Vocational, Academic and Substance Abuse) to be provided to the inmates. All programs are subject to reporting requirements of the state and federal government. All Programs described in the Contract must be offered on a continuous and continual basis. Teacher/instructor ratios are to be reasonable to accomplish the goal, and, once approved, are subject to the vacant positions requirements of the Contract. The CONTRACTOR shall achieve and maintain performance measures for these programs and shall provide the BUREAU with a quarterly status indicating whether the programs' goals have been met and, if applicable, the reason why the goals have not been met. See Exhibit 1 for a detailed plan.

Article 5.36 Inmate Laundry and Clothing. The CONTRACTOR will furnish uniforms, including shoes, for inmates that will be properly sized and fitted, climatically suitable, durable and presentable. The CONTRACTOR will provide laundry services and clothing in compliance with the Standards to include, but not be limited to the following:

- Regular changes of clothing;
- Specialized clothing for inmates who are involved in activities such as food service, maintenance; and
- Clean bedding and linen.

Article 5.37 Inmate Compensation. Some inmates employed in selected jobs are paid for their labor. Wages should be deposited to the inmate's account and a portion of earnings be returned to the State to offset part of the cost of incarceration. Distribution of inmate earnings will continue to accrue to either the inmate or the State and the CONTRACTOR will have no claim to any part of inmates' earnings. The CONTRACTOR shall comply with Florida Statutes regarding inmate earnings distribution.

Article 5.38 Library. The CONTRACTOR shall provide an inmate library in compliance with the Standards.

Article 5.39 Access to Courts. The CONTRACTOR shall provide inmates access to courts in compliance with the Standards as referenced herein and the United States Constitution.

Article 5.40 CONTRACTOR Staffing Requirements.

- A. The CONTRACTOR shall provide sufficient, qualified personnel to oversee and carry out the required operations of the Facility as specified in this Contract and in accordance with ACA Standards.

The CONTRACTOR shall maintain a file containing job descriptions for each position contained within the staffing pattern. All security posts will have a post order with sufficient detail to insure the security person filling the position can accomplish all tasks.

- B. Equal Employment Opportunity: The CONTRACTOR shall provide written procedures on recruitment and selection of both objective and subjective merit principles. Recruitment and selection shall be done without regard to age, race, color, sex, religious creed, national origin, political opinions, or affiliations, marital status or handicap, except when such requirement constitutes a bonafide occupational qualification necessary to perform the tasks associated with the position, equal opportunity practices relating to recruitment, examination, appointment, training, promotion, demotion, compensation, retention, discipline, separation, or other employment practices. The CONTRACTOR is responsible for maintaining records as required by the federal Equal Opportunity Act.
- C. Vacancies: It is understood and agreed that from time to time a vacancy may occur in staff positions required by the staffing pattern. For purposes of this Contract, a vacant position occurs when the employee assigned to that position has resigned, been terminated, has deceased, or is reassigned to another position. A vacant position also includes a staff position that is filled with a person who does not possess the training, licensure or credentials required to perform the function. A vacancy does not occur when an employee is temporarily absent due to vacation, sick leave, or other temporary leave condition. In the case of a vacancy, the CONTRACTOR may arrange for the service to be provided by another appropriately qualified employee, subject to the overtime restrictions in Article 5.24, so long as the service is actually provided on the shift or during the hours. The CONTRACTOR shall submit documentation of any use of overtime to temporarily fill vacant positions.

The CONTRACTOR agrees to exercise due diligence to attempt to permanently fill any vacant security positions within thirty (30) days of vacancy and to permanently fill any non-security positions within forty-five (45) days after the date upon which the position becomes vacant. After these specified times, the BUREAU shall adjust the Management Payment under Article 7.1 accordingly for vacancies not filled. This adjustment shall not be considered a form of liquidated or actual damages or punitive in anyway, but is a withholding of payment for a service not provided.

If the CONTRACTOR anticipates a problem in permanently filling a vacant position within the thirty (30) day allowance for security positions or the forty-five (45) day allowance for non-security positions, the CONTRACTOR must request a waiver from the BUREAU, to be reviewed on a case-by-case basis, to fill a position with contracted staff. The request shall be submitted to the BUREAU Chief and the BUREAU's On-site Contract Manager. The BUREAU shall respond to any such request within three (3) working days. Positions filled with permanent employees before the expiration of the time period specified above or with contracted staff if a waiver is granted will not incur vacancy deductions. A list of vacant positions along with a position control documentation must be provided to that effect to the BUREAU's On-site Contract Manager to be included on the monthly vacancy report submitted to the BUREAU. Where contracted staff is utilized, the CONTRACTOR must submit the invoice relative to payment for such contracted staff, reflecting dates of service and costs, to the BUREAU's On-site Contract Manager along with the position control documentation. As long as the CONTRACTOR has exercised and continues to exercise due diligence to fill a position, the fact that the position remains vacant shall not constitute an Event of Default, but if the CONTRACTOR has less than the required number of employees for beyond the specified time, deductions for vacancies will be made from the monthly per diem paid by the BUREAU using the 365-day method inclusive of benefits, until such time as the position is filled permanently or with contracted staff if a waiver is granted.

D. Staff Health Requirements: The CONTRACTOR shall have all staff tested annually for Tuberculosis, and offer inoculation for Hepatitis B per the DC's Blood Borne Pathogens Manual and applicable ACA Standards.

E. Minimum Required Staffing Positions: As provided by ACA.

a) Staffing Qualifications: All required personnel documentation including certifications shall be maintained at the Facility.

b) CONTRACTOR Staff Conduct: The CONTRACTOR shall ensure that all staff adheres to the following requirements for conduct:

The CONTRACTOR or staff shall not display favoritism to or preferential treatment of, one inmate or group of inmates over another.

The CONTRACTOR or staff shall not display any favoritism or preferential treatment to family, friends of employees or inmate family members.

The CONTRACTOR or staff shall not enter into any business relationship with inmates or their families (example – selling, buying or trading personal property), or personally employ them in any capacity.

Unless approved in writing by the Contract Manager, the CONTRACTOR or staff shall have no outside contact (other than incidental contact) with an inmate residing at the Facility or their family or close associates, except for those activities which are approved as part of the Contract and part of the employee's job description.

The CONTRACTOR or staff shall not engage in any conduct which is criminal in nature or which would bring discredit upon the CONTRACTOR or the BUREAU. In providing services pursuant to this Contract, the CONTRACTOR shall ensure that their employees avoid both misconduct and the appearance of misconduct.

Any violation or attempted violation of the restrictions referred to in this section regarding employee conduct shall be reported by phone and in writing to the Contract Manager and the Warden, including proposed corrective action to be taken by the CONTRACTOR. Any failure to report a violation or take appropriate disciplinary action against the offending party or parties shall subject the CONTRACTOR to appropriate action, up to and including termination of this Contract.

The CONTRACTOR shall report any violations detailed above and any other incident requiring investigation by the CONTRACTOR in writing to the Contract Manager within 24 hours of the CONTRACTOR's knowledge of the incident.

The CONTRACTOR shall provide their employees with a copy of these standards of employee conduct and document receipt of such notification in the employee's personnel file.

c) Criminal History Check: In accordance with Section 110.1127, Florida Statutes "Each employing agency shall designate those employee positions that, because of the special trust or responsibility or sensitive location of those positions, require that persons occupying those positions be subject to a security background check, including fingerprinting, as a condition of employment." The operation of a correctional facility is a highly important and highly sensitive function of state government. The integrity, safety, and security of a correctional

facility are dependent upon the integrity, responsibility, and reliability of its staff. Therefore, the DMS requires all individuals seeking employment at private correctional facilities to submit fingerprints for a background investigation to be conducted to determine eligibility for employment.

The DMS will require the CONTRACTOR to conduct background re-checks on all current non-certified employees every three (3) years. Fees associated with the background checks will be the CONTRACTOR's responsibility.

As part of the pre-employment criminal history check, the CONTRACTOR shall subject its officers, employees or agents, and any subcontractor or subcontracted staff performing operational and/or management services at the Facility, at the CONTRACTOR's expense, to a Florida Department of Law Enforcement (FDLE) Florida Crime Information Center/National Crime Information Center (FCIC/NCIC) criminal history check. Random criminal history checks may be conducted at any time during the contract period. In order to carry out this criminal history check, the CONTRACTOR shall submit to the BUREAU, prior to commencing services and upon request, the following data for any individual contractor or subcontractor's staff assigned to the contract: Full Name, Race, Sex, Date of Birth, Social Security Number, Driver's License Number and State of Issue, and fingerprint cards. The BUREAU has full discretion to require the CONTRACTOR to disqualify, prevent, or remove any staff from any work under the Contract.

The CONTRACTOR shall screen all potential employees through referral, employment and background checks prior to the individual providing services, custody, control or supervision to inmates as directed by the Contract. This screening shall include but not be limited to employment history, academic/vocational achievement, references, organizational affiliations and any certifications or licensures.

The CONTRACTOR shall require that all current and potential employees provide the details of any of the following criminal background information:

- Conviction of a felony or first-degree misdemeanor;
- Pled nolo contendere or pled guilty to a crime, which is a felony or first-degree misdemeanor;
- Had adjudication of guilt withheld to a crime, which is a felony or a first-degree misdemeanor; and
- Current pending charges for a violation of law.

The CONTRACTOR shall not assign or employ personnel to provide any services pursuant to this Contract who were convicted of a felony unless approved in writing by the BUREAU.

The CONTRACTOR shall ensure that the BUREAU is provided the information needed to conduct the NCIC/FCIC criminal history check prior to any new contractor or subcontractor staff being hired or assigned to work under the Contract. The CONTRACTOR shall not offer employment to any individual or assign any individual to work in accordance with the Contract, who has not had an NCIC/FCIC criminal history check conducted and employment approved by the BUREAU.

The CONTRACTOR shall not hire any individual to provide services as described in the Contract who has been barred from any BUREAU, DC or other criminal justice facility.

The CONTRACTOR shall immediately report to the BUREAU any new arrest, criminal charges or convictions of any current officer, agent or employee performing services under the Contract.

Article 5.41 Records and Documentation.

- A. **Records Maintenance:** CONTRACTOR will provide a records and reporting system, both manual and computerized, for Facility operations that includes the list below, and is compatible with that used by the DC. Further, the CONTRACTOR's system will be in compliance with federal, state, and local laws governing confidentiality and will identify and limit those persons who have control or access. The system will provide for the following:
- a. Provision of all reports and records necessary for monitoring of any court-ordered compliance.
 - b. Maintenance of an individual custody record on each inmate that includes, but is not limited to, personal data, personal inventory receipts, disciplinary action reports, incident reports, release information, classification and counseling records, dental, psychiatric and medical records;
 - c. Signed release of information forms;
 - d. Appropriate transfer documentation as to legal authority to accept the inmate;
 - e. Referrals to other agencies;
 - f. Confidentiality and safeguarding of case records to ensure against unauthorized and improper disclosure;
 - g. Maintenance of records and reports; and
 - h. The retention and storage of logs and records in a manner consistent with DC policy and Florida law.
- B. **Management Information System:** The CONTRACTOR shall install a fully compatible electronic data processing (EDP) System to Access the Florida Offender Based Management Information System (OBIS) for information purposes with regard to inmate transfer, inmate financial records, and classification and health services.

Article 5.42 Deliverables. To operate a 1,520-bed, adult female, minimum/medium custody level secure correctional facility.

Article 5.43 General Reporting Requirements. The CONTRACTOR shall provide to the On-site Contract Manager samples of new or revised reporting requirements of the CONTRACTOR in the performance of its obligations under this Contract .

Article 5.44 Monitoring and Evaluation.

- A. **Contract Monitoring/Performance Evaluation Monitoring:** At its discretion, the BUREAU will monitor the CONTRACTOR's performance to ensure compliance in accordance with all Contract provisions, DMS's instructions, and all applicable standards, including, but not limited to ACA, Administrative Rules, DMS and DC guidelines, specifications of this Contract, Court Orders and Decrees.

The On-site Contract Manager or designated representatives or employees of the BUREAU may conduct inspections as deemed necessary. The BUREAU shall have the right, unless otherwise proscribed by law, to reasonably prompt access to examine and receive copies, if requested, of all records of the CONTRACTOR relating to the Facility, including without limitation, all financial books and records, maintenance records, employee records, and inmate records generated by the CONTRACTOR and its subcontractors, or independent contractors, in connection with monitoring the CONTRACTOR's performance of and compliance with this Contract.

The BUREAU's monitoring activities shall include review of subcontracts as previously described herein. The On-site Contract Manager shall provide the CONTRACTOR, in writing, the results of monitoring/inspection activities conducted. If CONTRACTOR noncompliance issues are noted during a monitoring activity, each shall be specifically identified and corrective action shall be recommended with a time frame specified to achieve compliance.

The cost of the On-site Contract Manager will be a deduction from the monthly Management Payment to the CONTRACTOR. The actual cost for such deductions will be based upon the appropriated rate, salary and expense dollars for the function.

Compensation will be adjusted monthly to reimburse the BUREAU for the salary and expenses (to include coverage of employee benefits) of the On-site Contract Manager. Additional deductions will be made for any ad valorem taxes or payment in lieu of such taxes that may become due on the Facility pursuant to judicial determination or legislative mandate.

- B. Monitoring and Evaluation: The BUREAU's On-site Contract Manager or designated BUREAU staff, will perform monitoring during the term of the Contract, but not less than once a year to ensure Contract compliance. Monitoring shall include periodic review of compliance with Contract performance, including, but not limited to, review of the following:

- 1) Security
- 2) Inmate Management and Control
- 3) Inmate Programs and Services
- 4) Facility Safety and Sanitation
- 5) Administration
- 6) Food Service
- 7) Personnel Practices and Training
- 8) Inmate Health Services
- 9) Inmate Discipline

In addition to monitoring, the performance of the CONTRACTOR may be compared to the performance of the State in operating like facilities. The CONTRACTOR shall supply all data related to performance of the Contract necessary to conduct such evaluations, excluding any data protected by law. In evaluating the CONTRACTOR's performance, the BUREAU shall consider the specific areas identified above.

- C. Self-Monitoring: The CONTRACTOR shall continually conduct self-monitoring utilizing a comprehensive self-monitoring plan providing for both Facility-level Self-Monitoring and Corporate-level Self-Monitoring. The CONTRACTOR shall designate an employee as the staff member responsible for continuous self-monitoring of the

Facility. CONTRACTOR shall provide access to all self-monitoring to the On-site Contract Manager.

Article 5.45 Inmate Reintegration Program. CONTRACTOR will provide an Inmate Reintegration Program which provides for the following:

Treatment Program Counseling which will provide individual and group counseling for inmates which will comply with the Standards and includes mental health care and crisis intervention services, adjunct community resource assistance as needed, specific therapy groups as determined by inmate needs and which may change over time, and a substance abuse program which is more fully described in Exhibit 1.

Volunteer Programs which will include clearly specified lines of authority, responsibility and accountability for the volunteer services program; recruitment, screening and selection of volunteers; and volunteer orientation and training.

Education Programs in compliance with the Standards and as more fully described in Exhibit 1.

Inmate Work Programs in compliance with the Standards. All inmates will be required to keep their living areas clean. Work opportunities will be available in the food service, laundry, maintenance shop, warehouse, and utility squads. The DC will be responsible for approving gain time credit for labor performed. The CONTRACTOR will be required to submit an annual report documenting the number of persons who have satisfactorily completed each of the academic education, vocational education, and substance abuse components, required to be delivered per the terms of this Contract and the CONTRACTOR's response to the ITN. Included in this annual report shall be an update of the career outlook analysis, concerning information as required in the Contract, including: type of jobs the vocational training prepares the inmates for; estimated job growth, both in the State of Florida and in the fields of training being offered; salary range of the jobs available; and qualifications necessary for the jobs.

Article 5.46 Recreation. The CONTRACTOR will provide indoor and outdoor recreation and leisure time programs for the inmates in compliance with the Standards.

Article 5.47 Safety and Emergency Procedures. The CONTRACTOR will operate and maintain the Facility in compliance with applicable federal, state and local safety and fire codes and in accordance with the Standards.

Article 5.48 Incident Reporting. The CONTRACTOR will follow the policies and procedures established by the DC and the BUREAU in the reporting of incidents occurring at the Facility.

ARTICLE SIX **EMPLOYEES**

Article 6.1 Independent Contractor. With respect to the performance of the services set out herein, the CONTRACTOR is and shall continue to be an independent contractor and, subject to the terms of this Contract, shall have the sole right to manage, control, operate, and direct the performance of the details of its duties under this Contract. The CONTRACTOR's agents and employees shall not accrue from the State, the BUREAU, or the DC any leave, retirement, insurance, bonding or any other benefit afforded to the employees of the State, the BUREAU, or the DC as a result of this Contract. The CONTRACTOR, its agents, and employees shall not be

considered agents or employees of the State, the BUREAU, or the DC.

Article 6.2 Subcontractors. The CONTRACTOR may not subcontract for the performance of any of its responsibilities or obligations pursuant to the Contract without prior written approval from the BUREAU. DMS has entered into this Contract based on the representations and warranties of performance by the CONTRACTOR. The CONTRACTOR shall not change key personnel, nor permit such changes to key personnel of any subcontractors, without prior express written approval of the BUREAU.

The CONTRACTOR shall furnish to the BUREAU's On-site Contract Manager copies of all subcontracts, without regard to amount of annual payments. The CONTRACTOR shall submit for BUREAU review of all procedural, and operational and fixed capital outlay project plans. Any arrangement by the CONTRACTOR with an affiliate or member company to provide services to the Facility shall be subject to this Article. No contractual relationship shall exist between the BUREAU and any subcontractor and the BUREAU shall accept no responsibility whatsoever for the conduct, actions, or omissions of any subcontractor selected by the CONTRACTOR. The CONTRACTOR shall be responsible for the management of the subcontractor in the performance of their work. A subcontractor may not work directly with the BUREAU in any manner and shall not be included in contract negotiations, renewals, audit or any other discussions except at the request of the BUREAU.

The provisions of law governing the participation of minority business enterprises are applicable to this Contract.

The terms "Certified Minority Business Enterprises" and "MBE(s)" mean only those minority business enterprises as defined in Section 288.703(2), Florida Statutes, which possess a current certification issued by DMS' Office of Supplier Diversity.

Article 6.3 Personnel. The CONTRACTOR shall at all times provide sufficient trained staff to provide for and maintain the security, control, custody, and supervision of inmates of the Facility in compliance with applicable court orders, the Standards, and this Contract.

Positions will be staffed with qualified employees in accordance with the staffing pattern attached hereto as Exhibit 2.

Sufficient staff shall be employed at all times to assure that all positions identified as critical complement on the approved staffing pattern, are manned for each shift, unless a departure from the staffing pattern has been approved in writing by the BUREAU Chief. The CONTRACTOR shall be required to fill critical complement positions by using overtime or other staff members to ensure that the staffing levels do not decrease below the established critical complement. The approved staffing pattern is attached as Exhibit 2 and herein incorporated by reference.

Part-time correctional officers may be used as long as they are fully trained and licensed. The use of part-time correctional officers shall be limited to a maximum of 20 hours per officer per week, for a total not to exceed 900 hours per week for the Facility. The use of part-time staff in supervisory positions is forbidden. Full-time correctional officers shall each be limited to no more than 24 hours of overtime in any two-week period. The BUREAU reserves the right to authorize exceptions to this section.

The CONTRACTOR shall conduct a drug testing to include random anabolic steroid testing of 5% of all certified staff on an annual basis, subject to DC guidelines with which the CONTRACTOR shall reasonably comply. Monthly random tests will be performed and reports must be submitted to the BUREAU regarding the testing results.

Article 6.4 Training. The CONTRACTOR will provide training programs in compliance with the Standards, Chapter 943 and Section 957.05, Florida Statutes, the Florida Department of Law Enforcement, Division of Training, and Chapter 33, Florida Administrative Code.

ARTICLE SEVEN
COMPENSATION AND ADJUSTMENTS

Article 7.1 Management Payment. This payment reflects operating costs and does not include debt service numbers. Compensation will be based on two (2) per diem rates: the first rate is based on 90% occupancy and the second rate is based on the number of inmates exceeding the 90% occupancy.

The BUREAU will compensate the CONTRACTOR at the following per diem rates (inmate, per day):

- **\$52.39** times the minimum occupancy of 90%
- **\$25.47** for each inmate over the minimum occupancy rate of 90%;
- Minus monthly deductions for:
 - The Major Maintenance and Repair Reserve Fund set forth in Article 4.9, in the monthly amount of \$13,438.07.
 - The On-site Contract Manager set forth in Article 5.44, in the monthly amount of \$4,945.01. The CONTRACTOR will be required monthly to reimburse the BUREAU for the salary and expenses of the On-site Contract Manager. Such salary and expenses will include coverage of employee benefits. The salary and expenses of the On-site Contract Manager may be adjusted annually, subject to legislative appropriations, at a rate not to exceed the CONTRACTOR'S rate of per diem increase.
 - Any property taxes or payments in lieu of taxes (PILOT) that may become due on the Facility pursuant to judicial determination or legislative mandate.

Regardless of the number of inmates incarcerated at the facility, the CONTRACTOR is guaranteed an amount equal to 90% occupancy (1368 inmates) times the 90% per diem rate subject to legislative appropriations. The CONTRACTOR guarantee may be subject to the following: any liquidated damages as set forth in Article 10.11, deductions for position vacancies as set forth in Article 5.40, deductions for reimbursement of the On-site Contract Manager as set forth above; deductions for the maintenance reserve as set forth above; ad valorem taxes and/or PILOT payments required to be paid by CONTRACTOR by judicial determination or legislative mandate, as set forth in Article 12.7; and any other deduction or charge permitted in this Contract.

Article 7.2 Invoices. The CONTRACTOR shall submit monthly invoices within ten (10) working days of the month end, in a format acceptable to the DC's accounting department to the attention of the BUREAU's Contract Manager. Invoices shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof. The invoice will reflect the prison population for each day, midnight count, times the security per diem minus adjustments allowed in the Contract. The DC will verify the daily inmate population count. If there is a discrepancy between the CONTRACTOR's and the DC's counts, the DC's count will be used in calculating the per diem payment. Invoices will be adjusted as specified in the Contract.

The BUREAU's Contract Manager or his/her successor shall be responsible for enforcing performance of the Contract terms and conditions and he/she shall serve as liaison with the CONTRACTOR and shall approve all invoices for payment.

Submit to:

Rhonda Vause, Chief
Bureau of Finance and Accounting
Florida Department of Corrections
2601 Blirstone Road
Tallahassee, Florida 32399-2500

AND

Bureau Chief
Bureau of Private Prison Monitoring
Florida Department of Management Services
4050 Esplanade Way, Suite 335
Tallahassee, Florida 32399-0950

Name and Address of Payee

The name and address of the contact person and official payee to whom the payment shall be made:

Corrections Corporation of America
Attn: Lockbox
10 Burton Hills Boulevard
Nashville, Tennessee 37215

Article 7.3 Interest Penalties. Payment shall be made in accordance with Sections 215.422 and 55.03, Florida Statutes, which state the CONTRACTOR's rights and the BUREAU's responsibilities concerning interest penalties and time limits for payment of invoices. Vendors providing goods and services to an agency should be aware of the following time frames. Upon receipt, an agency has five (5) working days to inspect and approve the goods and services, unless the bid specifications, purchase order or contract specifies otherwise. An agency has twenty (20) days to deliver a request for payment (voucher) to the Department of Banking and Finance. The twenty (20) days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved.

If a payment is not available within forty (40) days, a separate interest penalty, established annually by the Chief Financial Officer pursuant to Section 55.03(1), Florida Statutes, will be due and payable, in addition to the invoice amount, to the CONTRACTOR. The interest rate for calendar year 2007 is 0.0003014 percent per day (11.0% per annum). The interest penalty provision applies after a thirty-five (35) day time period to health care providers, as defined by rule. Interest penalties of less than one (1) dollar will not be enforced unless the CONTRACTOR requests payment. Invoices which are returned to a vendor due to vendor preparation errors will result in a delay in the payment. The applicable time period does not commence until a properly completed invoice is received by the DC.

A contractor Ombudsman has been established within the Department of Banking and Finance. The duties of this individual include acting as an advocate for contractors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Ombudsman may be contacted at (850) 410-9724; the State's Chief Financial Officer's Consumer Hotline is (800) 342-2762.

Article 7.4 Adjustments to Compensation. The BUREAU recognizes that the CONTRACTOR has

entered into this Contract based upon the Standards in effect as of the date the Contract became effective. If there are changes in the Standards or Unforeseen Circumstances which change the scope of services to be furnished pursuant to this Contract and increase or decrease the cost of managing the facility, the CONTRACTOR will provide the BUREAU written notice and documentation supporting an adjustment to compensation. The BUREAU will review and may grant or deny the adjustment to compensation, at its sole discretion. The BUREAU may adjust the total compensation paid the CONTRACTOR so that the CONTRACTOR may be paid compensation equal to the amount required to the change in CONTRACTOR's cost managing the Facility because of the change in scope of services, retroactive to the effective date of such cost changes. Since requests for appropriated funds are based on costs as provided in the CONTRACTOR's proposal, any adjustment to compensation to cover changes in the Standards or Unforeseen Circumstances which changes the scope of services, shall be subject to adequacy of appropriated funds, sufficient to cover the compensation change.

Article 7.5 Supplemental Compensation. In the event that, pursuant to Article 4.11, the CONTRACTOR proposes to expand the capacity of the Facility and the BUREAU approves such a proposal, then the CONTRACTOR shall be eligible for supplemental compensation for any inmates housed in the Facility in excess of the original capacity. The per diem rate of any such supplemental compensation will be an amount mutually agreed upon by the BUREAU and the CONTRACTOR, and shall not be greater than the maximum allowable pursuant to Section 957.07, Florida Statutes, and shall be subject to legislative appropriation.

Article 7.6 Appropriation Contingency. The State's performance and obligation to pay under this Contract is contingent upon an annual appropriation by the Florida Legislature, pursuant to Section 287.0582, Florida Statutes; the State is not obligated for any payments that exceed the amount of the current appropriation, pursuant to Section 957.04(1)(h), (2)(d), Florida Statutes.

ARTICLE EIGHT **INDEMNIFICATION AND INSURANCE**

Article 8.1 Indemnification. The CONTRACTOR hereby assumes entire responsibility and liability for any and all damages or injury of any kind or nature whatever (including death resulting therefrom) to all persons, whether employees of the CONTRACTOR or otherwise, and to all property caused by, resulting from, arising out of or occurring in connection with any action of the CONTRACTOR (including its officers, directors, employees, subcontractors, or agents) in performance of the duties of this Contract. If any claims for such damage or injury (including death resulting therefrom) be made or asserted, whether or not such claims are based upon the CONTRACTOR's (including its officers, directors, employees, subcontractors, or agents) active or passive negligence or participation in the wrong or upon any alleged breach of any statutory duty or obligation on the part of the above parties, the CONTRACTOR agrees to indemnify, defend and hold harmless, the State and the BUREAU, its officers, agents, servants and employees from and against any and all such claims, and further from and against any and all loss, cost expense, liability, damage or injury, including legal fees and disbursements, that the State, its officers, agents, servants or employees may directly or indirectly sustain, suffer, or incur as a result, and the CONTRACTOR agrees to and does hereby assume, on behalf of the State, its officers, agents, servants and employees, the defense of any action at law or in equity which may be brought against the State, its contractors (if any), its officers, agents, servants or employees, arising by reason of such claims and to pay on behalf of the State, its officers, agents, servants and employees, upon demand of either of them, the amount of any judgment that may be entered against them, individually, jointly or severally, its officers, agents, servants or employees in any such action.

As part of the CONTRACTOR's assumption of all responsibility and liability for any and all damage or injury as detailed above, the CONTRACTOR further agrees to hold harmless, defend and indemnify the State for any loss, expense, recovery or settlement, including counsel fees and costs of defense, which arise from any demand, claim (whether frivolous or not) or suit which may be asserted or brought against the State or the CONTRACTOR as a result of any injury or damage to any person or persons (including death) or property (i) allegedly caused by, resulting from, arising out of, or occurring in connection with the furnishing of any goods, equipment or services or the performance or preparation for performance of any of the work or any duties of the CONTRACTOR hereunder, or incidental or pertaining thereto, and (ii) whether or not such injury or damage is due to or chargeable to any contractor or subcontractor under a contract for which the goods or services herein ordered are required, including, but not limited to, any claim based on liability without fault for injury caused by defective goods supplied by the CONTRACTOR. The CONTRACTOR also agrees to assume responsibility for, hold harmless, defend and/or indemnify the State for payment of any expenses, costs (including delay costs), direct and consequential damages, penalties, taxes or assessments (including punitive damages), including counsel fees and costs of defense, which may be imposed or incurred (a) under any Federal, State, or local law, ordinance or regulation upon or with respect to any compensation of any person employed by the CONTRACTOR, and (b) under any Federal, State, or local law, ordinance or regulation upon or with respect to discrimination in employment against any individual employed by the CONTRACTOR on the basis of race, color, religion, sex, or national origin, and (c) under any Federal, State, or local law, ordinance or regulation upon or with respect to any compensation of any person for claims or civil actions alleging deprivation of right, privilege or immunity secured by the United States Constitution and laws pursuant to 42 USC Section 1983 or similar statutes as well as claims for attorneys fees brought pursuant to 42 USC Section 1988 or similar statutes.

Article 8.2 Legal Proceedings. The CONTRACTOR shall not be responsible for defending any post-conviction action, including appeals and writs of habeas corpus by any inmate challenging the underlying judgment of conviction or the administration of the sentence imposed.

Article 8.3 Insurance. The CONTRACTOR is responsible for obtaining and maintaining adequate insurance coverage as required herein. The CONTRACTOR shall obtain and provide proof of general liability insurance coverage (broad form coverage) which shall specifically include fire, and legal liability in an amount not less than two million dollars (\$2,000,000) for each occurrence within a yearly aggregate of at least ten million dollars (\$10,000,000), and civil rights claims in an amount not less than two million dollars (\$2,000,000) for each occurrence within a yearly aggregate of at least five million dollars (\$5,000,000). The State of Florida and its respective agencies shall be included as additional insureds under the policy of general liability insurance coverage issued to the CONTRACTOR. Coverage for civil rights liability may be issued under a separate policy but shall also include the State and its agencies as additional insureds. Vehicle liability coverage for all vehicles used by the CONTRACTOR shall be provided in an amount of not less than two million dollars (\$2,000,000) per occurrence. Coverage shall also specifically be provided to protect against employee dishonesty in an amount of not less than fifty thousand dollars (\$50,000).

The CONTRACTOR shall obtain and provide proof of workers' compensation insurance coverage (including employer liability) in the amount and manner required by Florida law for all employees of the CONTRACTOR.

The CONTRACTOR shall obtain and/or provide proof of professional liability insurance coverage, including medical malpractice liability and errors and omissions coverage, to cover all professional services to be provided by the CONTRACTOR to the State under this Contract. The amount of coverage

obtained shall be two million dollars (\$2,000,000) per occurrence with a five million dollar (\$5,000,000) yearly aggregate. If occurrence coverage is not available, claims-made coverage with a three (3) year tail coverage shall be provided for the same amounts and aggregate as detailed above.

The CONTRACTOR shall obtain and provide proof of contractual liability insurance coverage to cover all liability assumed by the CONTRACTOR under this Contract and for which the CONTRACTOR may be liable to the State under the indemnification provisions of this Contract (intermediate form coverage). Such coverage may be provided by separate coverage or as an additional endorsement to a general liability policy, but shall be in the same amounts and limits of coverage as that required for general liability coverage.

The CONTRACTOR shall obtain and provide proof of boiler and machinery coverage ("comprehensive" coverage) in the amounts of one million dollars (\$1,000,000) per occurrence to cover all loss arising from the operation of boilers and machinery including loss to other property and losses due to business interruption.

The CONTRACTOR shall obtain and provide proof of premises liability insurance (which should be included in any general liability coverage) and property coverage (tire and extended coverage) for the full value of the buildings, structures or other facilities operated by the CONTRACTOR and its subcontractors and all movable contents which value can never be less than the then remaining balance owed under the lease purchase agreement. The State and its respective agencies shall be included as additional insureds under this policy.

The CONTRACTOR shall obtain and maintain environmental impairment liability coverage for liability resulting from sudden, accidental or gradual pollution arising from operations conducted by the insured, covering damage for bodily injury and property damage in the amount of one million dollars (\$1,000,000) per occurrence and two million dollars (\$2,000,000) yearly aggregate limit. The State and its respective agencies shall be included as additional insureds under this policy.

All insurance coverage shall be obtained by the CONTRACTOR through an insurance agent licensed in the State of Florida and such coverage shall be provided by an insurance company licensed to issue such coverage in the State of Florida. No "self-insurance" coverage shall be acceptable unless the CONTRACTOR is licensed or authorized to self-insure for a particular coverage in the State of Florida, or is an insured member of a self-insurance group that is licensed to self-insure in Florida. All policies shall include a provision requiring at least thirty (30) days' prior written notice of cancellation to the State.

All insurance coverage required to be obtained by the CONTRACTOR shall continue in full force and effect during the term of the Contract. No contract shall be entered into between the CONTRACTOR and the BUREAU unless insurance coverage binders are received by the date scheduled for the execution of the Contract. Proof of insurance policies must be delivered prior to the date on which the services of the CONTRACTOR shall commence.

All insurance coverage is to be provided by insurance carriers admitted to do business in Florida and coverage issued by surplus lines companies shall not be acceptable with the exception of civil rights liability coverage. All insurance carriers shall be, at the minimum, rated "A VII" by A.M. Best or an equivalent rating by a similar insurance rating service.

The CONTRACTOR may choose the amount of deductible for any of the insurance coverage required above to be obtained by the CONTRACTOR, but in no event shall such deductible for each occurrence exceed three (3) percent of the required yearly aggregate limit of coverage.

The CONTRACTOR is responsible for first dollar defense coverage. All general liability and professional liability policies shall provide defense in addition to the policy limits.

The limits required herein are the minimum acceptable. However, these limits are not to be construed as being the maximum any CONTRACTOR may wish to purchase for their own benefit.

As respects to the total limits of liability required, any combination of primary and/or umbrella coverage may satisfy those totals. However, if an umbrella is used, coverage must be at least as broad as the primary coverage.

Article 8.4 Certificate of Insurance and Cancellation. During the performance of the management services hereunder, the CONTRACTOR shall maintain the plan of insurance and submit a Certificate of Insurance to the BUREAU for the mutual protection and benefit of it and the BUREAU, naming the BUREAU as co-insured and entitled to all notices issued under the policy, to cover claims that may arise out of or result from the CONTRACTOR's operation and management services hereunder, whether same be by the CONTRACTOR or a subcontractor or by anyone directly or indirectly employed by any of them, or by anyone for whose acts any of them may be liable. The BUREAU shall be notified at least thirty (30) days in advance of cancellation, non-renewal or adverse change in the coverage. New Certificates of Insurance are to be provided to the BUREAU at least fifteen (15) days after receipt by the CONTRACTOR.

Article 8.5 Defense/Immunity. By entering into the Contract, neither the State, DMS, the DC nor the CONTRACTOR waives any immunity defense which may be extended to them by operation of law including limitation of damages; excepting only that the CONTRACTOR may not assert the defense of sovereign immunity.

Article 8.6 Notice of Claims. Within five (5) calendar days after receipt by the BUREAU or the DC, or of any agent, employee or officer thereof of a summons in any action, or within five (5) calendar days of receipt by the BUREAU or the DC, or of any agent, employee or officer thereof, of notice of claim, the BUREAU, the DC, or any agent, employee or officer, shall notify the CONTRACTOR in writing of the commencement thereof. The notice requirement is intended to ensure that the CONTRACTOR's defense of the claim is not harmed by failure to comply with the notice requirements. Failure to comply with the notice requirements may result in the CONTRACTOR's refusal to indemnify the BUREAU, the DC, or any agent, employee or officer, but only if such failure to notify results in a prejudice to the CONTRACTOR, the BUREAU, the DC, or any agent, employee or officer. The CONTRACTOR will provide the BUREAU or the DC similar notice of claims.

Article 8.7 Prior Occurrences. The CONTRACTOR shall not be responsible for any losses or costs resulting from inmate litigation pending at the effective date of this Contract or for lawsuits based on acts or omissions occurring prior to the effective date of the Contract. However, the CONTRACTOR agrees to cooperate with the State in the defense of any such suits. The BUREAU recognizes that any settlement or judgment in such cases may lead to a request that the compensation be increased pursuant to Article 7.4.

Article 8.8 Waiver. No waiver of any breach of any of the terms or conditions of the Contract shall be held to be a waiver of any other or subsequent breach; nor shall any waiver be valid or binding unless the same shall be in writing and signed by the party alleged to have granted the waiver.

ARTICLE NINE

CERTAIN PROHIBITIONS

Article 9.1 Prohibitions. The CONTRACTOR acknowledges the provisions of Section 957.06, Florida Statutes, which states that a contract entered into under this chapter does not authorize, allow, or imply a delegation of authority to the CONTRACTOR to:

- A) Choose the facility to which an inmate is initially assigned or subsequently transferred. The CONTRACTOR may request, in writing, that an inmate be transferred to a facility operated by the DC. The BUREAU, the CONTRACTOR, and a representative of the DC shall develop and implement a Transfer Agreement for transferring inmates between a correctional facility operated by the DC and the Facility. The DC, the BUREAU, and the CONTRACTOR must comply with the Transfer Agreement.
- B) Develop or adopt disciplinary rules or penalties that differ from the disciplinary rules and penalties that apply to inmates housed in correctional facilities operated by the DC.
- C) Make a final determination on a disciplinary action that affects the liberty of an inmate. The CONTRACTOR may remove an inmate from the general prison population during an emergency, before final resolution of a disciplinary hearing, or in response to an inmate's request for assigned housing in protective custody.
- D) Make a decision that affects the sentence imposed upon or the time served by an inmate, including a decision to award, deny, or forfeit gain-time.
- E) Make recommendations to the Parole Commission with respect to the denial or granting of parole, control release, conditional release, or conditional medical release. However, the CONTRACTOR may submit written reports to the Parole Commission and must respond to a written request by the Parole Commission for information.
- F) Develop and implement requirements that inmates engage in any type of work, except to the extent that those requirements are accepted by the BUREAU.
- G) Determine inmate eligibility for any form of conditional, temporary, or permanent release from a correctional facility.

ARTICLE TEN DEFAULT AND TERMINATION PROVISIONS

Article 10.1 BUREAU Breach. Each of the following shall constitute a Breach of Contract on the part of the BUREAU:

- A) After appropriation of adequate funds by the State, failure by the BUREAU to make payments to the CONTRACTOR under the guidelines of Section 215.422, Florida Statutes.
- B) The persistent or repeated failure or refusal by the BUREAU to substantially fulfill any of its obligations under this Contract; unless: such failure or refusal is caused by a Force Majeure event or is otherwise excused under this Contract; such failure or refusal is permitted by agreement; or, such failure or refusal is warranted by the CONTRACTOR's breach under Article 10.2.

Article 10.2 CONTRACTOR Breach. Each of the following shall constitute a Breach of Contract

on the part of the CONTRACTOR:

- A) A material failure to keep, observe, perform, meet, or comply with any covenant, agreement, term, or provision of this Contract to be kept, observed, met, performed, or complied with by the CONTRACTOR hereunder, which such failure continues for a period of twenty (20) days, or such longer time as may be granted pursuant to Article 10.4, after the CONTRACTOR has received written notice thereof; unless: such failure or refusal is caused by a Force Majeure event or is otherwise excused under this Contract; such failure is permitted by agreement; or, such failure is warranted by the BUREAU's breach under Article 10.1.
- B) A material failure to meet or comply with any court order, ACA Standards, or federal or state requirement of law, which such failure continues for a period of twenty (20) days after the CONTRACTOR has received written notice thereof;
- C) A failure to maintain ACA accreditation in accordance with Article 5.9;
- D) The CONTRACTOR shall (i) admit in writing its inability to pay its debts; (ii) make a general assignment for the benefit of creditors; (iii) suffer a decree or order appointing a receiver or trustee for all or substantially all of its property to be entered and, if entered without its consent, not to be stayed or discharged within sixty (60) days; (iv) suffer proceedings under any law relating to bankruptcy, insolvency, or the reorganization or relief of debtors to be instituted by or against it and, if contested by it, not to be dismissed or stayed within sixty (60) days; or (v) suffer any judgment, writ of attachment or execution, or any similar process to be issued or levied against a substantial part of its property which is not released, stayed, bonded, or vacated within sixty (60) days after issue or levy; or
- E) Any other action by the CONTRACTOR which would be considered a breach of this Contract at common law.

Article 10.3 Notice of Breach. Except for the BUREAU's obligations to make payments to the CONTRACTOR (for which notice of non-payment shall not be required) and the CONTRACTOR's obligation to refrain from false statements or misrepresentations (breach of which notice and opportunity to cure shall not be required, provided such false statements or misrepresentations are material and intentional), no breach of this Contract on the part of either party shall constitute an Event of Default and no action with regard to same may be instituted unless and until the party asserting a breach specifies, in writing, to the party against whom the breach is asserted, that a breach or breaches exist(s), which, unless corrected or cured within a time period specified in the notice, will constitute a material breach of the Contract on the part of the party against which a breach is asserted.

Article 10.4 Time to Cure. In the event of a Breach of Contract of the type specified in Article 10.2 (A) or (B) occurs and the CONTRACTOR reasonably believes that such Breach of Contract cannot be cured within the twenty (20) days allowed to cure such Breach of Contract in Article 10.2 (A) or (B), as the case may be, and that such Breach of Contract can be cured, through a diligent, on-going, and conscientious effort on the part of the CONTRACTOR, within a reasonable period not to exceed a total of forty-five (45) days, unless extended by the BUREAU, then the CONTRACTOR may, within the twenty (20) day cure period, submit a plan for curing the Breach of Contract to the BUREAU Chief. Such plan shall show in detail by what means the CONTRACTOR proposes to cure the Breach of Contract. Upon receipt of any such plan for curing a Breach of Contract, the BUREAU shall promptly review such plan and, at its discretion, may allow, or disallow, the CONTRACTOR to pursue such plan for curing the Breach of Contract.

Article 10.5 Remedy of the BUREAU. Upon the occurrence of a Breach of Contract by the CONTRACTOR, and, where practicable, upon satisfaction of the requirements of Article 10.3 and 10.4, the BUREAU Chief shall have the right to pursue any remedy it may have at law or in equity, including, but not limited to, (i) reducing its claim to a judgment and seeking all damages for such breach; (ii) taking action to cure the Breach of Contract, in which case the BUREAU Chief may offset against any payments owed to the CONTRACTOR all reasonable costs incurred by the BUREAU in connection with its efforts to cure such Breach of Contract; (iii) in the event the CONTRACTOR is not terminated, assessment of liquidated damages as set forth in Article 10.11; (iv) use the performance bond to collect damages in accordance with the breach incurred, which may not be the full amount of the performance bond, and (v) termination and removal of the CONTRACTOR as the operator of the Facility and the offsetting against any payments owed to the CONTRACTOR by the BUREAU of all reasonable costs incurred by the BUREAU to cure the Breach of Contract, including attorneys' fee. In the event of a termination of this Contract due to a Breach of Contract under Article 10.2, the BUREAU shall have no further obligations to the CONTRACTOR after the CONTRACTOR's removal; the CONTRACTOR agrees to comply with Articles 10.9 and 12.6 with respect to the transition to new management. In the event of any remedy pursuant to this Article 10.5, the CONTRACTOR shall have the right to appeal to the BUREAU, and during any such appeal, the remedies pursuant to this paragraph shall be tolled.

Article 10.6 Remedy of the CONTRACTOR. Upon a Breach of Contract by the BUREAU, the CONTRACTOR's sole remedy shall be to terminate this Contract. Upon such termination, the CONTRACTOR shall be entitled to receive from the BUREAU payment for all services satisfactorily furnished under this Contract up to and including the date of termination.

Article 10.7 Force Majeure. The failure of performance of any of the terms and conditions of this Contract by either party due to Force Majeure shall not constitute a Breach of Contract or an Event of Default under this Contract.

Article 10.8 Termination for Non-Appropriation. The payment of compensation hereunder by the BUREAU is contingent upon the availability of funds legislatively appropriated to pay such compensation. In the event funds for compensation pursuant to the Contract become unavailable due to non-appropriation, the BUREAU shall have the right to terminate this Contract without penalty.

Article 10.9 Contract Termination and Control of a Correctional Facility by the DC. A detailed plan must be provided by the CONTRACTOR under which the DC will assume control of the Facility upon termination of the Contract. The BUREAU may terminate the Contract with cause, once written notice of material deficiencies is provided and twenty (20) days cure period has run, if required, in order to correct the material deficiencies. If any event occurs that involves the noncompliance with or violation of Contract terms and that presents a serious threat to the safety, health, or security of inmates, employees, or the public, the BUREAU shall request that the DC temporarily assume control of the Facility. A plan must also be provided by the CONTRACTOR for the purchase and assumption of operations of the Facility by the DC in the event of bankruptcy or the financial insolvency of the CONTRACTOR. The CONTRACTOR must provide an emergency plan to address inmate disturbances, employee work stoppages, strikes, or other serious events in accordance with the ACA Standards.

Article 10.10 Termination for Convenience. The BUREAU may terminate this Contract for convenience by giving the CONTRACTOR written notice ninety (90) days prior to the termination effective date.

Article 10.11 Liquidated Damages. The CONTRACTOR, in the event of breach or default, shall pay to

the BUREAU, not as a penalty but as liquidated damages, in the following corresponding amounts, per day:

Service Area 1: Security and control, ACA Accreditation, Health Services, Use of Force, Escapes, On-site Contract Managering.

Vendor Breach	
Failure to Provide Services	\$5,000
Failure to Document	\$1,000
Failure to Report	\$2,500
Failure to Comply with Other Applicable Requirements	\$1,500

Service Area 2: Sanitation and Hygiene, Food Service, Mail, Religion, Access to Court, Inmate Discipline, Grievance, Visitation, Records and Reports, Employee Qualifications and Training.

Vendor Breach	
Failure to Provide Services	\$2,500
Failure to Document	\$750
Failure to Report	\$1,000
Failure to Comply with Other Applicable Requirements	\$1,000

Service Area 3: Operating Standards, Transportation, Maintenance, Repairs and Replacements, Inmate Work, Academic & Vocational Training, Sentence Computation Data, Classification and Case Management, Commissary, Policies/Procedures/Post Orders, Inmate Management Fund/Bank Accounts.

Vendor Breach	
Failure to Provide Services	\$2,500
Failure to Document	\$750
Failure to Report	\$1,000
Failure to Comply with Other Applicable Requirements	\$1,000

Service Area 4: Laundry and Inmate Clothing, Telecommunications, Supplies/Perishables, Recreation.

Vendor Breach	
Failure to Provide Services	\$1,500
Failure to Document	\$500
Failure to Report	\$1,000
Failure to Comply with Other Applicable Requirements	\$1,000

Assessment of Liquidated Damages shall not constitute a waiver of the BUREAU's right to terminate the

Contract for cause and seek any other damages or remedies allowed by law.

ARTICLE ELEVEN
ON-SITE CONTRACT MANAGER

Article 11.1 On-site Contract Manager. The On-site Contract Manager will be designated by the BUREAU. The On-site Contract Manager will be the official liaison between the BUREAU and the CONTRACTOR on all on-site matters pertaining to the operation and management services of the Facility. All official communications shall take place between the On-site Contract Manager and the CONTRACTOR, unless the BUREAU directs otherwise. All other communication between the BUREAU's employees and the CONTRACTOR shall be managed according to policies adopted by both parties.

Article 11.2 The On-site Contract Manager's Use of Facility Space. The CONTRACTOR shall make work space available at the Facility to the On-site Contract Manager. The On-site Contract Manager's work space must be approved by the BUREAU Chief.

Article 11.3 Self-Monitoring. The CONTRACTOR shall continually conduct self-monitoring, utilizing a comprehensive self-monitoring plan providing for both Facility-level self monitoring and corporate-level Self-Monitoring. The CONTRACTOR shall designate an employee as the staff member responsible for continuous self-monitoring of the Facility. The CONTRACTOR shall provide access to all self-monitoring to the On-site Contract Manager.

ARTICLE TWELVE
MISCELLANEOUS PROVISIONS

Article 12.1 Non-Discrimination. The CONTRACTOR shall, in the performance of this Contract, strive to achieve the goals for minority participation set forth in this section. As used in this Contract, the terms "Certified Minority Business Enterprises" and "MBE(s)" mean only those minority business enterprises as defined in Section 288.703(2), Florida Statutes, which possess a current certification issued by DMS' Office of Supplier Diversity. The CONTRACTOR will be required to provide the On-site Contract Manager with a semi-annual report concerning minority participation.

Article 12.2 Operational Plan Requirements. As a condition precedent to commencement of services hereunder and, prior to the Services Commencement Date, the CONTRACTOR shall provide the BUREAU, for the BUREAU's written approval, an Operational Plan that covers the full range of Facility operations, including, but not limited to, the following:

A policy and operations manual which shall cover:

- All aspects of Facility operations.
- Procedures that will be utilized to facilitate monitoring of the Facility by the operator's Authorized Representative or the Authorized Representative's designees on an annual basis.
- Continuous self-monitoring by Facility staff.
- Procedures for assumption of operations by the BUREAU in the event of the CONTRACTOR's bankruptcy or inability to perform its duties hereunder.
- An emergency procedures/security manual for confidential use by staff supervisors employed by operator.
- Post orders for all Facility security staff positions.
- Job descriptions for each position, including salary range, education and experience

requirements, descriptions of job duties, and full-time or part-time designation.

The CONTRACTOR shall notify the BUREAU in writing of desired changes in, or additions to, the Operational Plan with regard to the CONTRACTOR's policies and procedures, emergency procedures/security manual, post orders, and job descriptions. No such changes shall be implemented prior to the CONTRACTOR's receipt of written approval from the BUREAU Chief. The BUREAU Chief shall respond to a request for changes within thirty (30) days. A material breach of the Operational Plan shall be regarded as a Breach of this Contract.

Article 12.3 Location of Performance.

No work or services incumbent upon the CONTRACTOR may be conducted, contracted for, or otherwise performed outside the physical jurisdiction of the State of Florida without prior express written approval by the BUREAU. The CONTRACTOR may submit a written request to the BUREAU for an exception to this prohibition, which shall be approved or denied on a case-by-case basis at the BUREAU's sole discretion.

Article 12.4 Books and Records. The CONTRACTOR shall keep at the Facility proper and complete books, records, and accounts with respect to the Facility and all subcontractors thereof, and shall permit the On-site Contract Manager and the BUREAU or its designees to inspect the same at all reasonable times, and to make and take away copies thereof, pursuant to Article 5.44.

Article 12.5 Maintenance of Corporate Existence and Business. The CONTRACTOR shall at all times maintain its corporate existence and authority to transact business and good standing in its jurisdiction of incorporation and the State of Florida. The CONTRACTOR shall maintain all licenses, permits, and franchises necessary for its businesses where the failure to so maintain might have a material adverse effect on the CONTRACTOR's ability to perform its obligations under this Contract.

Article 12.6 Transition. Upon the termination of this Contract, the CONTRACTOR agrees to work with the BUREAU, the DC, and/or DC management supervision, in accordance with Article 10.9, for a period of ninety (90) days to ensure an orderly and efficient transition from the CONTRACTOR's management to the BUREAU and/or the DC management (or management by a third party) of the Facility. During this transition period, the CONTRACTOR will transfer all necessary records, files and documents for the operation of the Facility, including, but not limited to, inmate records, maintenance records, and personnel files.

Article 12.7 Taxes, Liens, and Assessments. The CONTRACTOR shall: (i) pay, or make provision for payment of, all lawful taxes and assessments levied or assessed by the federal, state or any local government on the Facility or any machinery, equipment or other property installed or located on the Facility by the CONTRACTOR therein or thereon, or upon the Florida Correctional Finance Corporation with respect to the Facility or any part thereof, including any taxes levied upon or with respect to the income or revenues of the Florida Correctional Finance Corporation from the Facility, or upon any payments pursuant to the Lease/Purchase Agreement; (ii) not create or suffer to be created any lien or charge upon the Facility or any part thereof; (iii) pay or cause to be discharged or make adequate provision to satisfy and discharge, within sixty (60) days after the same shall come into force, any lien or charge upon the Facility or any part thereof and all lawful claims or demand for labor, materials, supplies or other charges which, if unpaid, might be or become a lien upon the Facility or any part thereof, except permitted encumbrances, as defined in the Lease/Purchase Agreement with respect to the Facility entered into by and between the BUREAU and the Florida Correctional Finance Corporation; and (iv) pay all utility charges, including "service charges",

incurred or imposed with respect to the Facility.

The parties hereto acknowledge that the housing of state prisoners is a governmental function, albeit a function that can be contracted for with a private business. In addition, the parties hereto acknowledge that the use of a lease purchase agreement utilizing tax-exempt financing for the construction of the Facility does not alter the nature of the use of the Facility. To that end, in the event that a local jurisdiction attempts to assess ad valorem taxes on the Facility, the CONTRACTOR agrees to provide any necessary assistance, support, and expenditure of legal resources (including a pro rata share of all attorneys' fees and costs) in order to support any efforts by the State to defend the sovereign immunity from such taxation enjoyed by the Facility as State property, pursuant to First Union National Bank of Florida v. Ford, 636 So.2d 523 (Fla. 5th DCA 1993). DMS will pay 50% of all such attorneys' fees and costs. The CONTRACTOR's pro rata share of the remaining 50% of attorneys' fees and costs will be based on the proportion of private prison facilities the CONTRACTOR operates under contract with DMS to all private prison facilities under contract with DMS.

In the event that either a judicial determination or a State legislative mandate explicitly subjects the Facility to ad valorem taxation or requires payment in lieu of taxes (PILOT), the amount of any such annual ad valorem tax or PILOT payment shall be deducted on a pro-rated monthly basis from the CONTRACTOR's monthly compensation.

Article 12.8 Copies of Documents. Prior to the execution of this Contract and on an on-going basis, the CONTRACTOR shall timely provide to the BUREAU copies of the following documents:

- All original and renewed insurance certificates clearly indicating compliance with Article 8.3.
- Tax receipts or other appropriate documentation indicating the CONTRACTOR's payments to the taxing authorities to indicate compliance with Article 12.7.

Article 12.9 Reimbursable Expenses. In the event that the CONTRACTOR fails to comply with Articles 12.4 and 12.8, the CONTRACTOR shall pay actual expenses for the BUREAU to employ an agent or for a BUREAU employee to visit the offices of the CONTRACTOR or the CONTRACTOR's parent corporation to make and take away copies of the documents necessary to comply with Articles 12.4 and 12.8.

Article 12.10 Invalidity and Severability. In the event that any provision of this Contract shall be held to be invalid, such provision shall be null and void. The validity of the remaining provisions of the Contract shall not in any way be affected thereby.

Article 12.11 Counterparts. This Contract may be executed in multiple counterparts, each of which shall be deemed to be an original and all of which shall constitute one contract, notwithstanding that all parties are not signatories to the original or the same counterpart, or that signature pages from different counterparts are combined, and the signature of any party to any counterpart shall be deemed to be a signature too and may be appended to any other counterpart.

Article 12.12 Interpretation. The headings contained in this Contract are for reference purposes only and shall not affect the meaning or interpretation of this Contract.

Article 12.13 Terminology and Definitions. All personal pronouns used in this Contract, whether used in the masculine, feminine, or gender-neutral, shall include all other genders; the singular shall include the plural; and the plural shall include the singular.

Article 12.14 Venue. The Contract shall be interpreted under the laws of the State of Florida, and Leon County Circuit Court shall be the venue in the event any action is filed on the Contract.

Article 12.15 Amendments. This Contract shall not be altered, changed, or amended except by instrument in writing executed by the parties hereto.

Article 12.16 Third Party Rights. The provisions of this Contract are for the sole benefit of the parties hereto and shall not be construed as conferring any rights on any other person.

Article 12.17 Binding Nature. This Contract shall not be binding upon the parties until it is approved and executed by both parties.

Article 12.18 Interpretation. This Contract shall not be interpreted or construed against the drafting party.

Article 12.19 Prohibition Against Assignment. The BUREAU has entered into this Contract with the CONTRACTOR based on, among other considerations, its assessment of the qualifications and experience of the CONTRACTOR, the management talent of key employees of the CONTRACTOR, and the organizational structure the CONTRACTOR has caused to be created. Consequently, there shall be no assignment or transfer of the interest of the CONTRACTOR, whether in whole or in part, absent the prior written consent of the BUREAU. Further, the CONTRACTOR shall notify the BUREAU in writing as soon as is practical following (a) a merger with or an acquisition by any corporation, partnership, person, or other entity; (b) the acquisition by or purchase of more than ten percent (10%) of the outstanding shares of the CONTRACTOR by any corporation, partnership, person, or other entity; and (c) a change in the senior management of the CONTRACTOR, senior management including its President, Chief Executive Officer, and the membership of its Board of Directors. If, in the reasonable judgment of the BUREAU, any such event is determined to be likely to have a material and adverse effect on the ability of the CONTRACTOR to fully comply with all of the terms and conditions of this Contract, the BUREAU reserves the right to terminate the Contract without liability or penalty to the BUREAU.

Article 12.20 Access to Records. The BUREAU may unilaterally cancel this Contract for refusal by the CONTRACTOR to allow public access to all documents, papers, letters, or other material originated or received by the CONTRACTOR in conjunction with the Contract, subject to the provisions of Section 119, Florida Statutes.

Article 12.21 Notices. All notices shall be sent certified mail; return receipt requested to:

BUREAU: Bureau Chief
Bureau of Private Prison Monitoring
Florida Department of Management Services
4050 Esplanade Way
Tallahassee, Florida 32399-0950

CONTRACTOR: General Counsel
Corrections Corporation of America
10 Burton Hills Boulevard
Nashville, Tennessee 37215

IN WITNESS WHEREOF, in order to be legally bound, the parties have caused their authorized representative to execute this Contract, executed and effective as of the last date indicated below.

STATE OF FLORIDA,
DEPARTMENT OF MANAGEMENT SERVICES

Linda H. South
By: Linda H. South, Secretary

7/6/07
Date

Approved as to form and legality by
the Department's General Counsel's Office:

Jim Hooper

VENDOR

BY: *Natalia K. Metcalfe* (Corporate Seal)
Its: Vice President and Associate General Counsel

DATE: 7/5/07

ATTEST: *Kacey & Coon*
Its: Assistant General Counsel



Gadsden Correctional Facility
Exhibit 1

Education Programs in compliance with the ACA Standards shall be as follows (based on current capacity of 1,520):

- a. "Participating" shall mean "the inmate is actively attending specified program"
 - b. Behavioral Program: minimum of 228 (15%) part-time participating per day
 - c. Academic Program: minimum of 380 (25%) part-time participating per day
 - d. Vocational Program: minimum of 152 (10%) part-time participating per day
 - e. Substance Abuse Program: minimum of 380 (25%) part-time participating per day
- (Note: The facility must report part-time assignments, but if the program requires full-time assignment, the facility must convert full-time to part-time.)

At all times during the course of the contract, Contractor agrees to maintain inmate participation in behavioral, academic, vocational, and substance abuse programs at the Facility at the participation percentage levels identified above.

For example, assume a correctional facility currently has a maximum occupancy of 1,000 inmates and currently 200 inmates per day, Monday through Friday, barring recognized holidays, are enrolled in and participate in programs offered by the Contractor. The facility undergoes an expansion that results in the facility having a maximum occupancy of 1,200 inmates. Under the Contract provision, the Contractor would now have to maintain inmate enrollment and participation in such programs at 240 inmates per day, Monday through Friday, barring recognized holidays.

If inmates in the facility cannot participate in the programs identified in this section because they are not eligible, do not participate in such programs because they refuse to participate or do not complete the programs for which they are enrolled and have participated in, the Contractor shall provide this information to the On-Site Contract Monitor for inclusion in the Security and Institutional Operations Report ("Report") submitted monthly by the On-Site Contract Manager to the BUREAU. With regard to inmate enrollment, participation, and completion in the programs at issue and the need to accurately account for inmate participation and completion in these programs, the Report will account for inmate program participation and completion and shall at a minimum provide information that includes the inmate's name, the inmate's DC Number, and a description of the ineligibility of the inmate to participate in or the inability to complete the program(s) or the facts surrounding the inmate's refusal to participate. Further, it is understood that inmates who are enrolled in and are actively attending a program may have occasional absences due to legitimate reasons including, but not limited to, health reasons, court appearances, recognized holidays, etc. Such absences shall be noted in the Report.

The information provided by the Contractor to the On-Site Contract Manager regarding inmate participation in and completion of these programs shall be provided in sufficient detail to enable the BUREAU to appropriately audit and monitor the Contractor's compliance with this provision.

Inmate eligibility to participate in such programs shall ultimately be determined by criteria established by DC.

Contractor (CCA) Program Plan

a. Behavioral Programs:

Release Preparation or Pre-Release

This class emphasizes resources in the community to aid in transition. By providing pre-release and other transitional education programs, CCA equips inmates with the skills of living and independence.

GCF plans to continue the current practice of accommodating a quarterly presentation by a representative from the Gadsden County Office of the Florida Work-Force Center at the facility pre-release class. Topics include job applications, resumes, work aptitude counseling, rehabilitation training, and transition services available.

Transition Skills

Unless exempted by DC, all inmates complete the 100-hour transition skills program or a comparably approved program as reflected in F.S. 944.7065. This program is designed to prepare inmates for release with the needed skills and knowledge to be successful in transitioning back to the community. The program is divided into the following modules:

- Values clarification, living as a law abiding citizen;
- Goal setting and achieving;
- Problem solving and decision making;
- Social situations and emotional control;
- Job hunting and pre-employment skills;
- Keeping a job;
- Money management;
- Living a healthy life-style;
- Sexual responsibility and parenting skills;
- Domestic violence and family issues;
- Special needs issues;
- Continuing education issues; and
- Community re-entry supports.

Parenting Program

CCA realizes there is a high incidence of incarcerated women who have children. Many of the women leaving incarceration will be faced with the prospect of having to provide for a family or have the desire to regain custody of children who may be in state custody or the custody of another family member. Without opportunity to learn and practice new skills their chances of success are limited. CCA is steadfast in its belief that learning better parenting skills is essential to the inmate and, in its goal of reducing multi-generational incarceration, to the families of the inmate. This parenting class is open to all inmates who have children. It is CCA's goal to assist the inmate-mother in developing a better understanding of parenting and to develop skills needed to become a

more involved and supportive mother to her child, even though she is incarcerated. Program topics include the following:

- Self-Esteem;
- Parenting Styles;
- Parental Roles;
- Communication Skills;
- Discipline Skills;
- Family Diversity;
- Literacy and Study Skills; and
- Health and Safety Issues.

Intervention

Each inmate is assessed upon arrival at GCF to determine the need for intervention. Criteria for the Intervention Program includes:

- A history of substance abuse or criminal recidivism;
- Intellectual functioning at a level that allows the inmate to evidence therapeutic gains from exposure to the program;
- Referral to the program by the Classification team; and
- A willingness on the part of the inmate to work on treatment goals.

Program specifics consist of group sessions with discussion, presentations, and topics such as: "I'll Quit Tomorrow," Addiction Process/Behavioral Process; Framework for Breaking Barriers; Lifestyles and Values; Commitment to Change; Resistance and Recovery; Circle of Recovery; and Relapse, Recidivism, and Recovery.

Cognitive Skills

The cognitive skills component is based on a model of crime prevention, offender habilitation, and rehabilitation. The major focus of the cognitive model is on fundamental behavior and attitudes such as how the inmate thinks, views her world, understands people, what she values, how she reasons, and how she attempts to solve problems. The program is designed to teach inmates to recognize their anti-social behavior and replace it with pro-social behavior derived from responsible approaches to problem solving. Regardless of the student's ability to excel academically, without these skills, it is likely they will resume their anti-social behavior and criminality when they are released back into the community.

Objectives of the cognitive skills program include acquisition of social competencies and responsibilities such as:

- Thinking skills, problem solving, and decision making;
- Strategies for recognizing and analyzing problems and developing non-criminal solutions;
- Strategies for thinking logically and objectively without over-generalizing, distorting facts, or externalizing blame;
- Calculating the consequences of behavior;
- Learning to stop and think before acting;

- Transcending an egocentric view of the world and beginning to comprehend and consider the thoughts and feelings of other people;
- Improving interpersonal skills;
- Developing coping strategies that can serve as the basis of effective alternatives to anti-social or criminal behavior;
- Viewing frustrations as problem solving tasks rather than personal threats; and
- Developing self-regulatory strategies so that pro-social behavior is not dependent on external controls.

Life Skills

The objectives of the Life Skills component include:

- Education concerning the prevention, intervention and treatment of substance abuse;
- Personal health and fitness with a focus on wellness and prevention;
- Nutrition;
- Stress management;
- Non-violent alternatives to anger and aggression;
- Setting goals;
- Time management;
- Career development (goal setting, planning, education, job search, resumes, interviews);
- Housing (transitional housing, apartments, family housing, utilities, etc.);
- Money management and consumer education; and
- The importance of community service and community building.

Faith-Based Program¹

GCF has implemented a 72-bed faith-based dormitory following the Institute in Basic Life Principles Program (IBLP). The IBLP provides seminars, materials and outreach programs for families, churches, civic organizations, as well as prison ministries. CCA's IBLP faith-based residential curriculum consists of approximately 750 hours of programming. Topics include:

- Principles of design, authority, responsibility, ownership, freedom and success;
- Family;
- Anger resolution;
- Commands of Christ;
- Financial freedom;
- Bible study;
- Wisdom search; and
- Character qualities.

¹ The Faith-Based Program is currently approved for funding through the IWTF. Should circumstances arise that would result in this program being disapproved for IWTF funding at a later date, CCA reserves the right to implement alternative programming to meet the program participation percentage requirement.

b. Academic Programs

Mandatory Literacy

GCF provides instruction to inmates who already have a high school diploma or GED but scored below the 6th grade level (F.S. 944.801) on the TABE.

Adult Basic Education 1 (Foundation Literacy: Grade Levels 0-3.9)

These courses meet the educational needs of students at the lowest functioning academic level. Students in these classes develop the academic skills that are essential for free world survival. Besides fundamental pre-GED skill building, students learn functional techniques such as writing and proper enunciation, completing job applications, participating in social and political processes and organization.

Adult Basic Education 2 (Literacy: Grade Levels 4.0-5.9)

These courses meet the educational needs of low-intermediate-level students who face considerable challenges in mathematics and reading development. In addition to important pre-GED activities, students in these classes further strengthen essential survival skills such as those described above.

Adult Basic Education 3 (Pre-GED: Grade Levels 6.0-7.4)

These courses prepare students for pursuit of the equivalency diploma. Students at this level lack fundamental secondary-level skills, hindering them in their pursuit of the GED. Courses also teach essential communication skills, workplace mathematics and related topics designed to enhance student skills.

Adult Basic Education 4 (GED: Grade Levels 7.5 and above)

These courses prepare students to take the GED and earn equivalency diplomas. Students at this level focus solely on GED preparation and prevocational or postsecondary preparatory topics. Students learn skills used in applying to colleges and vocational technical schools, as well as essential job seeking and career selection techniques.

GED Testing

At present, Gadsden Correctional Facility is a certified GED testing site. The Facility typically administers the GED exam during several group testing sessions during the year. Students who do not pass all parts or who are lacking enough points to pass the test are re-tested after additional instruction to remedy their educational deficiencies.

Distance Learning

The use of distance learning technology extends the reach of education fundamentals to every corner of an institution with innovation. CCA has made distance learning available at GCF through the Corrections Learning Network (CLN) of Spokane, Washington. CLN is a distance learning initiative, administered by Educational Service District (ESD) 101, operator of the STEP Star Network and funded through the U.S. Department of Education, providing interactive instructional programming for the nation's correctional facilities.

Since 1986, ESD 101 has been producing live, interactive, satellite broadcast classes for Kindergarten through grade 12. In January, 1997, ESD 101 began dissemination of adult

and alternative education courses and in 1999 was awarded a grant from the U.S. Department of Education to develop and distribute instruction to correctional facilities (information provided by Corrections Learning Network, 2001).

Adult education, GED, English for Speakers of Other Languages (ESOL) and literacy education content already available on the network includes GED reading, GED writing, GED math, GED science, GED social studies, Everyday Mathematics, ESOL Driver's Education, and Literacy Peer Tutor Training. The network also provides extensive staff development programs for educators including special education for the correctional educator and site facilitator training.

Postsecondary Programs

CCA's postsecondary programs provide college level training, correspondence, college credit by examination and, where possible, live instruction. Participants must hold a high school diploma or an equivalency diploma to enroll. Course offerings are selected based on inmates' appropriateness of skills taught to high demand areas of employment. GCF has previously used the following Recognized Educational Service Providers (RESP) to deliver postsecondary programs:

- University of Florida, Gainesville, Florida;
- Education Direct, Scranton, Pennsylvania;
- Blackstone Career Institute, Emmaus, Pennsylvania;
- Louisiana State University, Baton Rouge, Louisiana;
- Daytona Beach Community College, Florida; and
- Ohio University, Lifelong Learning, College Program for the Incarcerated, Athens, Ohio.

These and/or other colleges and universities will continue to provide access to a variety of postsecondary programs at GCF.

CCA is also authorized to offer the DANTEs Subject Standardized Test (DSST). DSSTs provide an opportunity for students to obtain college credit for what they have learned in non-traditional ways. The DSST Program is used by adult education programs, the United States Department of Defense, and two and four-year colleges throughout Florida and elsewhere.

c. Vocational Programs:

Building Construction Technology

In addition to wage and job outlook, CCA seeks to provide vocational training for female offenders that will support the advancement of women in industries that have typically been dominated by men. The Building Construction Technology course is designed to provide students with training in a wide variety of building trades including skills from: plumbing; electrical; carpentry; and others. The following skills are addressed during the course curriculum:

- Planning in the building construction industry;
- Management in the building construction industry;
- Finance in the building construction industry;

- Labor issues in the building construction industry;
- Health and safety issues in the building construction industry;
- Skills necessary in the building construction industry.

Students in this course will have the opportunity to develop competencies essential to the building construction industry. The course cluster includes the occupational completion points of Building Construction Helper and Building Construction Technician.

Cosmetology and Nails Specialty

The original Nail Care Technician program will be expanded to encompass the broader field of Cosmetology, of which Nail Care is often a subspecialty service. This additional competency would increase both the wage earning potential and number of employment opportunities available to facility inmates upon release. The Cosmetology program will provide training in the following areas:

- Shampoo/hair conditioners and scalp treatments;
- Awareness of diseases and disorders;
- Chemical compositions and reactions of shampoos, conditioners, and rinses with water and each other;
- Understanding of electrical current, transfer of energy and how it affects the skin;
- Application of shampoo, manipulations and rinsing;
- Hair shaping (cutting);
- Spheres and dimensional shapes using visualization;
- Ways in which geometric shapes can be combined, subdivided and changed in performing haircuts on a manikin or client;
- Factors that influence the determination of strategies necessary to meet individual client needs;
- Hairstyles;
- Factors that influence the determination of strategies necessary to meet individual client needs;
- Hairpieces, wigs and hair attachments;
- Permanent waving/reconstruction and curl/ chemical relaxing;
- Understanding the way chemicals affect the hair shaft and skin;
- Applying temporary/semi-permanent and permanent color/bleach and specialty color techniques; and
- Describing, measuring and predicting chemical reactions.

Possessing the cumulative skills of this program will offer significantly increased employment and wage-earning potential. As stated above, these skills will accumulate on top of the skills needed to become a Nail Care Technician. Those skills include: practicing of performing manicures, pedicures, applying artificial nails/nail wraps, and identifying the proper procedure and application of chemicals in the nail repair and beautification process.

Personal Computer Support Services and Repair

The Personal Computer Support Services (PCSS) program leads students to the occupational completion point of a Computer Support Specialist. Students in this

program build skills necessary for employment as Information Technology Assistant; Help Desk Support Assistant; Help Desk Specialist (Help Desk Technician); and Help Desk Analyst.

The content of this program includes software applications and operating systems including the use of advanced software/system features and programs; electronic communication via the Internet; Web page components; computer networking and network administration; the interrelationships among major components of networks; hardware and software selection and installation; integration techniques to enhance projects; and preventative hardware maintenance. Additionally, the course will equip students with the skills necessary to diagnose and refurbish computers and basic computer repair.

This program focuses on broad, transferable skills and stresses understanding and demonstration of elements of the PC support services industry. Students in this course will master the following objectives:

- Demonstrate knowledge, skill, and application of information systems to accomplish job objectives and enhance workplace performance.
- Compare and contrast the software applications used in a PC/software support services environment.
- Interpret error messages properly.
- Install operating system software.
- Install application software.
- Apply basic rules for hardware safety.
- Perform word processing, spreadsheet, database, presentation, desktop publishing, and accounting activities with software commonly used in business.
- Participate in work-based learning experiences in a PC/software support services environment.

In order to ensure that students are prepared to service computers, CCA will incorporate a computer repair component to the existing PC Support Services course. Students will be exposed to the skills necessary to competently install, build, configure, upgrade, troubleshoot and repair personal computer hardware and operating systems, including troubleshooting basic network and Internet connectivity.

Environmental Horticulture Sciences and Services/ Landscape Operations

This program is designed to prepare students for employment or advanced training in the horticulture and landscape industries. This curriculum focuses on broad, transferable skills and stresses understanding and demonstration of elements of the horticulture industry. Classroom, shop, and plant nursery/land laboratory activities are an integral part of this program including the general maintenance and safe use of all instructional resources. The curriculum also incorporates methods to improve students' personal qualities and high-order thinking skills. Instructional strategies for this program include methods that require students to:

- Identify, organize, and use resources appropriately;
- Work with each other cooperatively and productively;

- Acquire and use information;
- Understand social, organizational, and technological systems; and
- Work with a variety of tools and equipment.

Additionally, this course is designed to develop competencies in the areas of:

- Career opportunities;
- Global importance of agriculture;
- Plant classification;
- Propagation;
- Growing media;
- Nutritional needs;
- Fertilization;
- Irrigation;
- Pest identification;
- Pest control,
- Pruning;
- Plant installation;
- Transplanting;
- Maintaining landscape
- Safe hand-tool use; and
- Employability skills.

Students in this cluster have the opportunity to complete the following OCPs: Landscaping and Groundskeeping Workers; First-Line Supervisors/Managers of Landscaping, Lawn Service, and Groundskeeping Workers; Nursery Workers; and Nursery and Greenhouse Managers.

Auto CAD (Architectural Drafting)

The implementation of an Auto CAD program is designed to allow participants to develop specialized skills that will translate into greater employability in the job market. Students in this cluster have the opportunity to complete occupational completion points (OCP) in the following areas: Blueprint Reader, Drafting Assistant, Architectural Detailer, CAD Drafter, and Drafter Architectural.

Skills addressed will include the following:

- Basic drafting skills;
- Ability to prepare multi-view, sectional, and auxiliary drawings;
- Ability to prepare basic architectural drawings;
- Demonstrate basic science as applied to drafting;
- Prepare basic building utility drawings;
- Prepare advanced computer aided drawings;
- Measure tolerance (s) on horizontal and vertical surfaces;
- Demonstrate employability skills;
- Prepare isometric and oblique drawings;
- Interpret catalogs, specifications, technical tables, codes and ordinances;
- Prepare floor plan drawings, with dimensions;

- Prepare foundation plan and detail drawings;
- Prepare roof plans; and
- Produce civil drawings.

Commercial Foods and Culinary Arts

The implementation of a restaurant marketing program will allow participants to develop skills that will elevate them above other new entrants to the food services job market. Skills addressed will include the following:

- Food preparation and serving;
- Food identification;
- Food storage;
- Selection and presentation of a wide variety of foods;
- Communication;
- Leadership;
- Human relations;
- Employability skills;
- Safe efficient work practices; and
- Entrepreneurship.

Students in this program will have the opportunity to master the competencies necessary to be recognized in the following areas: Steward, General Housekeeping Skills; Salad Person Preparation; Utility Cook; Breakfast Cook; Line Cook; and Pastry Cook. In addition, students enrolled in the Culinary Arts and Restaurant Marketing courses will receive preparation for Florida Restaurant Association's SafeStaff® Employee Foodhandler Training. It is anticipated that students will be able to sit for the test while housed at GCF. The SafeStaff® Foodhandler Training Program is the contracted program of the Department of Business and Professional Regulation (DBPR) and contains the following six mandated key principles:

1. Ensuring proper personal hygiene;
2. Preventing cross-contamination;
3. Controlling time and temperature when handling food;
4. Proper cleaning and sanitizing;
5. The causes and effects of major food borne illnesses; and
6. Ensuring proper vermin control.

Supplemental Programs for Vocational Participants: Workplace Readiness Skills, Vocational Employability, Rational Thinking and Living with Others. Further, a full-time Workforce Counselor will assist the inmates with their employment plan in preparation for release.

Workplace Readiness Skills: The purpose of this program is to prepare students for the workplace. This program strives to inspire and motivate students to become productive, self-sufficient members of society. It provides:

1. Career assessment designed to assist persons with special needs in identifying vocational interests, temperament, aptitudes and learning styles.
2. Workplace readiness skills, which include, but are not limited to interview techniques, resume writing, workplace behaviors, job acquisition, and job retention.
3. Secretary's Commission on Achieving Necessary Skills (SCANS) competency training.

Vocational Employability: The purpose of this program is to provide adult offenders with occupational skills through employment-related instruction and concurrent, on-the-job training, supervised by the employer and teacher/coordinator.

Employment-related instruction is in-school instruction that develops competencies directly related to the occupation in which the student is employed. Emphasis is placed on developing appropriate work habit attitudes as indicated below:

- Punctuality;
- Attendance;
- Obedience;
- Positive attitude;
- Initiative;
- Responsibility; and
- Personal appearance.

The *Rational Thinking* study journal gives participants an opportunity to recognize how thoughts control feelings and behaviors; shows them how to identify common errors in thinking that occur in daily self-talk; and explores avenues inmates can use to improve their thinking style. It also offers a tool to perform a rational self-analysis (RSA); stresses practicing new thinking strategies; and teaches how to handle issues that occur when changing habits. Additionally, it outlines methods to understand how habits are formed and the difference between education and re-education.

The *Living with Others* study journal explores the component of healthy and unhealthy relationships and teaches proven ways to communicate effectively with others. It addresses recognition of personal anger cues and the impact of anger and offers strategies to help participants manage anger and develop a personalized anger management plan. An examination of three roadblocks to positive attitudes – resentment, self-pity, and grandiosity – rounds out the focus of the journal.

Attitudes for change involve addressing aspects of choice, which reflect honesty, humility, open-mindedness, objectivity, responsibility, caring, willingness, and gratitude. Participants are encouraged to make agreements regarding punctuality, confidentiality, putdowns, I-statements, feedback, blame, and practicing principles outside of the classroom and vocational environment.

Each of the aspects developed in this cognitive thinking program help prepare inmates to transition into the world outside the correctional setting and aids in the development of effective tools geared toward the appropriation of successful employment.

d. Substance Abuse Programs:

Rehabilitative Drug Abuse Treatment Program (RDAP)

CCA recognizes the role addictions play in criminal thinking and resulting criminal behavior. We have conducted extensive research to find and implement evidence-based research-driven addictions treatment/behavioral programs.

After reviewing the results of numerous studies, CCA adopted the Rehabilitative Drug Abuse Treatment Program (RDAP) as our standardized model for addictions programs companywide, as well as at GCF. RDAP is one of the most rigorously examined programs in the correctional community. Developed initially in the Federal Bureau of Prisons (BOP), RDAP is a trans-theoretical model delivered in a therapeutic community that specifically targets the thinking patterns that promote addictive and criminal behaviors. According to a study by the BOP, inmates who completed RDAP treatment had a re-arrest rate of only 3% within six months of release compared to a rate of 12% for those who did not receive RDAP treatment (1998)² combining multiple theories to address the wide range of needs in inmate populations, RDAP has proven to be an effective model.

Appropriate assessments and the use of objective evaluations insure the development of Individual Treatment Plans that address individual needs. The use of the Criminal Thinking Scales (assessment tool) developed by the Institute of Behavioral Research at Texas Christian University provides both an initial needs assessment and an empirical means of tracking progress. Similar instruments are used to evaluate levels of need, areas of risk, and behaviors to be targeted in treatment. Program Reviews, designed to insure consistency, quality control, and staff development and training, are an integral part of CCA's overall addictions treatment programming.

Alcoholics/Narcotics Anonymous

For inmates who are committed to long-term avoidance of substance abuse, GCF facilitates numerous weekly opportunities for participation in recovery programs. These recovery programs include 12-Step model associations such as Alcoholics Anonymous (AA), Narcotics Anonymous (NA) and other meetings of that type. Likewise, secular alternatives such as Smart Recovery are encouraged to ensure that inmates who are unwilling to participate in programs arising from religious and spiritual traditions will still have meaningful outlets for maintenance of their recovery.

² Prison Drug Treatment Outcomes, Federal Prison Residential Drug Treatment Reduces Substance Use and Arrests After Release; Bernadette Pelissier, Ph.D., Susan Wallace, M.A., Joyce Ann O'Neil, M.A., Gerald G. Gaes, Ph.D., Federal Bureau of Prisons, Washington D.C.; William Rhodes, Ph.D., Abt Associates, Boston, Massachusetts; William Saylor, M.A., Federal Bureau of Prisons, Washington, D.C.

e. Industry/Specialized Programs

The existing facility design does not provide space for implementation of an industry program at Gadsden Correctional Facility. However, in accordance with the response to question #26 in Addendum 3, the facility will provide the following canine programs as alternative programs.³

Cell P.A.L.S. was formed in 2004 in cooperation with **Canine Companions for Independence (CCI)**. This puppy raising program is of extreme importance to the CCI program; it establishes the foundation of early experiences, which are critical in preparing the puppy for Advanced Training. These pups have a very special destiny — to assist a person with a disability in leading a more fulfilling and independent life. For these puppies to achieve their potential, they must grow up in a loving environment and be exposed to a variety of stimulating experiences.

Inmates assigned to the program serve as volunteer puppy raisers. They must have the ability to safely house and care for a puppy from eight weeks of age until the required turn-in date. Puppy raisers must be willing and able to devote time each day to oversee the complete care of the puppy: feeding, grooming, socialization, and exercise; they must also agree to follow CCI approved socialization guidelines and handling techniques when working with the CCI puppy. Puppy raisers are required to submit a progress report each month for the duration of the project, as well as report behavioral or medical problems to the puppy program manager.

A second alternative specialized program was developed by the **Auburn University Canine Detection Training Center** and implemented at GCF in March 2005. The program is approved by the Florida Department of Education and is part of the *Florida Curriculum Frameworks*. The primary responsibility of the program is to provide training of high quality detection dogs for finding explosives, drugs, and special substances for both military and government application.

Participating inmates currently receive a certificate of appreciation and a letter of reference from Auburn University to pursue a career in dog handling or training. Part of this partnership with Auburn is to develop, receive approval, and implement a new Canine Veterinary Assistance-Technician *Certified* Vocational Course. It is the most innovative program in corrections today and is pending a research study at Auburn University concerning inmate behavioral changes through program participation. Obvious benefits provided to inmates participating in either of the canine programs in place at GCF include:

- A positive influence on both an inmate's physical and mental health through the nurturing friendliness associated with the presence of a dog;
- Inmates are learning job skills that can be translated into meaningful job opportunities;
- It creates an opportunity for inmates to give back to society; and
- Inmates can list the training on their resumes.

³The canine programs are currently approved for funding through the IWTF. Should circumstances arise that would result in these programs being disapproved for IWTF funding at a later date, CCA reserves the right to implement alternative programming.

GADSDEN CORRECTIONAL FACILITY
Quincy, Florida
1,520 Beds (384-Bed Expansion)

EXHIBIT 2

ITN NO.: DMS 06/07-093 - STAFFING PATTERN

STAFF DEPLOYMENT BY SHIFT & POSITION	
MANAGEMENT/SUPPORT	20.00
SECURITY/OPERATIONS	
UNIT MANAGEMENT	
MAINTENANCE	6.00
SERVICES	6.00
PROGRAMS	21.00
HEALTH SERVICES	33.40
EDUCATION	28.00
TOTAL	

MANAGEMENT/SUPPORT	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Warden	1	0	0	5	1.00	1.00
Assistant Warden	2	0	0	5	1.00	2.00
Training Manager	1	0	0	5	1.00	1.00
Manager, Operations Finance	1	0	0	5	1.00	1.00
Bookkeeper	1	0	0	5	1.00	1.00
Accounting Clerk	2	0	0	5	1.00	2.00
Manager, Human Resources	1	0	0	5	1.00	1.00
Personnel Assistant	1	0	0	5	1.00	1.00
Manager, Quality Assurance	1	0	0	5	1.00	1.00
Investigator / STG	1	0	0	5	1.00	1.00
Safety Manager	1	0	0	5	1.00	1.00
Secretary	1	0	0	5	1.00	1.00
Mailroom Clerk	2	0	0	5	1.00	2.00
Administrative Clerk	3	0	0	5	1.00	3.00
Receptionist	1	0	0	5	1.00	1.00
TOTAL						20.00

SECURITY/OPERATIONS	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
8-HOUR SHIFTS						
Chief of Security						
Shift Supervisor - Administrative						
SCO - Armory/Key Control						
* Laundry Officer						
* Medical Officer (Clinic) Officer						
* Recreation Officer						
* Work Detail Officer						
* Intake/Property Officer						
* Vehicle Salyport Officer						
* Education Officer						
Administrative Clerk	1	0	0	5	1.00	1.00
SECURITY/OPERATIONS						
12-HOUR SHIFTS						
	7am Shift	7pm Shift		Days Covered	Relief Factor	Total Staff
Shift Supervisor						
Assistant Shift Supervisor						
* Central Control/Entrance Officer						
* Perimeter Patrol (Mobile) Officer						

GADSDEN CORRECTIONAL FACILITY
Quincy, Florida
1,520 Beds (384-Bed Expansion)

EXHIBIT 2

ITN NO.: DMS 06/07-093 - STAFFING PATTERN

SECURITY/OPERATIONS 12-HOUR SHIFTS	7am Shift	7pm Shift	Days Covered	Relief Factor	Total Staff
[REDACTED]					
TOTAL					

UNIT MANAGEMENT 8-HOUR SHIFTS	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Chief of Unit Management	1	0	0	5	1.00	1.00
Unit Manager	5	0	0	5	1.00	5.00
Case Manager	6	0	0	5	1.00	6.00
Correctional Counselor	5	5	0	5	1.00	10.00
Administrative Clerk	2	0	0	5	1.00	2.00

UNIT MANAGEMENT 12-HOUR SHIFTS	7am Shift	7pm Shift	Days Covered	Relief Factor	Total Staff
Dorm A (4 Pods)					
* Pod Control Officer					
* Housing Officer					
Dorm B (4 Pods)					
Pod Control Officer					
Housing Officer					
Dorm C (4 Pods)					
* Pod Control Officer					
* Housing Officer					
Dorm D (4 Pods)					
* Pod Control Officer					
* Housing Officer					
Dorm G - New Unit (6 Pods)					
* Pod Control Officer					
* Housing Officer					
Segregation					
SCO					
* Pod Control Officer					
* Housing Officer					
TOTAL					

MAINTENANCE	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Maintenance Supervisor	1	0	0	5	1.00	1.00
Maintenance Worker	5	0	0	5	1.00	5.00
TOTAL						6.00

SERVICES	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Warehouse Worker	1	0	0	5	1.00	1.00
Support Services Manager	1	0	0	5	1.00	1.00
Commissary Coordinator	1	0	0	5	1.00	1.00

GADSDEN CORRECTIONAL FACILITY
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EXHIBIT 2

ITN NO.: DMS 06/07-093 - STAFFING PATTERN

SERVICES	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Warehouse/Commissary Worker	3	0	0	5	1.00	3.00
** Food Service Manager	1	0	0	5	1.00	Contract
** Assistant Food Service Manager	1	1	0	5	1.00	Contract
** Food Service Worker	2	2	0	7	1.70	Contract
TOTAL						6:00

PROGRAMS	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Addiction Treatment Manager	1	0	0	5	1.00	1.00
Addiction Treatment Coordinator	1	0	0	5	1.00	1.00
Addiction Treatment Counselor	13	0	0	5	1.00	13.00
Recreation Supervisor	1	0	0	5	1.00	1.00
*** Program Facilitator - Canine Program	1	0	0	5	1.00	1.00
Chaplain	1	0	0	5	1.00	1.00
*** Program Facilitator - Faith Based	1	0	0	5	1.00	1.00
*** Administrative Clerk - Faith Based	1	0	0	5	1.00	1.00
Administrative Clerk	1	0	0	5	1.00	1.00
TOTAL						21:00

HEALTH SERVICES 8-HOUR SHIFTS	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Health Services Administrator	1	0	0	5	1.00	1.00
Physician	1	0	0	5	1.00	1.00
ARNP/PA	1	0	0	5	1.00	1.00
Clinical Supervisor	1	0	0	5	1.00	1.00
RN	1	2	1	7	1.70	7.00
LPN	3	2	1	7	1.70	10.00
Psychologist	1	0	0	5	1.00	1.00
Psychiatrist	1	0	0	5	0.40	0.40
Mental Health Specialist	2	1	0	5	1.00	3.00
Dentist	1	0	0	5	1.00	1.00
Dental Hygienist	2	0	0	5	1.00	2.00
Medical Records Clerk	1	1	0	5	1.00	2.00
Administrative Clerk	2	1	0	5	1.00	3.00
** ARNP/PA	CONTRACT / 16 HOURS PER WEEK					
** Physician (OBGYN)	CONTRACT / PRN					
TOTAL						33:40

EDUCATION	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
Principal	1	0	0	5	1.00	1.00
Instructor Supervisor	0	1	0	5	1.00	1.00
Education Counselor	1	0	0	5	1.00	1.00
Academic Instructor	6	0	0	5	1.00	6.00
Academic Instructor, Part-Time	0	7	0	5	0.50	3.50
Academic Instructor - Life/Cognitive Skills	2	0	0	5	1.00	2.00
Academic Instructor, Part-Time - Life/Cognitive Skills	0	4	0	5	0.50	2.00

GADSDEN CORRECTIONAL FACILITY
Quincy, Florida
1,520 Beds (384-Bed Expansion)

EXHIBIT 2

ITN NO.: DMS 06/07-093 - STAFFING PATTERN

	1st Shift	2nd Shift	3rd Shift	Days Covered	Relief Factor	Total Staff
EDUCATION						
Vocational Instructor	6	0	0	5	1.00	6.00
Vocational Instructor, Part-Time	1	0	0	5	0.50	0.50
Counselor - Transition	1	0	0	5	1.00	1.00
Library Aide	1	1	0	5	1.00	2.00
Secretary	1	0	0	5	1.00	1.00
Administrative Clerk	1	0	0	5	1.00	1.00
** Librarian				CONTRACT / PRN		
** Educational Instructor (Substitute)				CONTRACT / PRN		
TOTAL						28.00

* Post positions included in the Correctional Officer Job Description.

GADSDEN1520-ITN-12-HOUR-04/09/07

** Positions hired under a contractual or fee basis for services rendered.

***Salaries and benefits reimbursed from the Inmate Welfare Fund.

Bold - Critical Staffing

**AMENDMENT OF THE
OPERATIONS AND MANAGEMENT SERVICES CONTRACT**

BETWEEN

**THE STATE OF FLORIDA
DEPARTMENT OF MANAGEMENT SERVICES,
BUREAU OF PRIVATE PRISON MONITORING**

AND

CORRECTIONS CORPORATION OF AMERICA

FOR THE

**GADSDEN CORRECTIONAL FACILITY, FLORIDA
1,520-BED ADULT FEMALE MINIMUM AND MEDIUM
OFFENDER CUSTODY SECURE CORRECTIONAL FACILITY**

WHEREAS, on July 10, 2007, the STATE OF FLORIDA, DEPARTMENT OF MANAGEMENT SERVICES, BUREAU OF PRIVATE PRISON MONITORING ("BUREAU") and CORRECTIONS CORPORATION OF AMERICA ("CONTRACTOR") entered into an OPERATIONS AND MANAGEMENT SERVICES CONTRACT ("CONTRACT"), relating to the Gadsden Correctional Facility; and

WHEREAS, Article 12.15, Amendments, expressly provides for amendments to the CONTRACT; and

WHEREAS, the parties now wish to amend the CONTRACT upon its current terms and conditions with the following modifications to the terms and conditions thereof.

NOW THEREFORE, the parties hereby do amend the CONTRACT as follows:

1. Article 7.1, Management Payment:

The first hollow bullet is amended to read as follows:

The Major Maintenance and Repair Reserve Fund in the monthly amount of \$33,438.07 for the current remainder of the initial term of the CONTRACT (excluding any renewals) pursuant to the Settlement Agreement dated December 06, 2007.

2. Article 4.9, Major Maintenance and Repair Reserve Fund:

The second paragraph is amended to read as follows:

On the first day of each month, the BUREAU will deduct 1/12 of \$401,256.84 (\$33,438.07 monthly), pursuant to Article 7.1, from the Facility's man-days billing and transfer said amount to the Grants and Donations Trust Fund.

The first and second sentence of the third paragraph is amended to read as follows:

Requests for reimbursement for maintenance or repair costs in excess of \$5,000 shall be submitted to the BUREAU Chief. Approval or denial of such requests is at the BUREAU Chief's discretion. Approvals shall not be unreasonably withheld.

3. All other terms and conditions of the CONTRACT remain unchanged.

IN WITNESS WHEREOF, the undersigned authorized persons have executed this Amendment on behalf of their respective parties effective on the date of signature of the last signatory to this Amendment.

STATE OF FLORIDA, DEPARTMENT OF
MANAGEMENT SERVICES, BUREAU OF
PRIVATE PRISON MONITORING

[Signature]

Date: 12/06/07

Approved as to form and legality for DMS:

[Signature]

CORRECTIONS CORPORATION OF AMERICA

BY: *Natasha K. Metcalf*

(Corporate Seal)

Its: Vice President and Associate General Counsel

Date: 11/29/07

Attest: *[Signature]*

Its: Executive Legal Assistant

**Amendment to the
 Operation and Management Services Contract
 Between
 The State of Florida
 Department of Management Services
 and
 Corrections Corporation of America
 for the
 Gadsden Correction Facility**

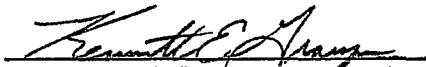
THIS AMENDMENT to the Operation and Management Services Contract relating to the Gadsden Correctional Facility contract dated July 1, 1999, as amended ("Contract"), is entered into as of the last date signed below, by and between the parties to the Contract, namely, the State of Florida, Department of Management Services ("DMS"), and Corrections Corporation of America. ("Contractor").

WHEREAS, the parties desire to extend the Contract through July 9, 2007; and

THEREFORE, the Parties hereby agree to extend the Contract through July 9, 2007 in accordance with the same terms and conditions of the Contract, and

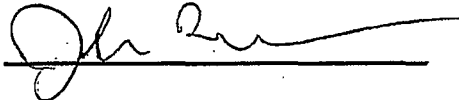
SO AGREED by the parties' authorized representatives on the dates noted below:

**STATE OF FLORIDA,
 DEPARTMENT OF MANAGEMENT SERVICES**

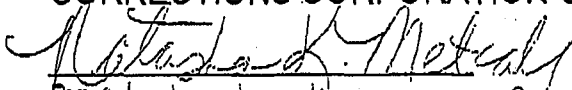

 By: Linda H. South., Secretary

6/29/07
 Date

Approved as to form and legality by
 the Department's General Counsel's Office:



CORRECTIONS CORPORATION OF AMERICA


 By: Natasha K. Metcalf
 Vice President

6/29/07
 Date