



TurnKey Corrections - 2801 Harvey St.
Hudson, WI 54016 - 715.386.5700

COUNTY OF Titus
JAIL SERVICE AGREEMENT

THIS AGREEMENT, by and between the County of Titus, Texas, a political subdivision of the State of Texas, hereinafter referred to as the "County," and Turnkey Corrections a Minnesota corporation, hereinafter referred to as "Provider."

WHEREAS, the County seeks to enter into an agreement for inmate commissary service, and

WHEREAS, Provider is capable of providing such service to the County and desires to do so according to the terms and conditions stated herein.

NOW THEREFORE, in consideration of the mutual undertakings and agreements contained within this agreement, the County and Provider hereby agrees as follows:

1. Effective Date of Agreement

This agreement shall be in effect November 1st, 2016 or when services become active, whichever is later.

2. Term of Agreement

This agreement shall be in effect for forty-eight (48) months with automatic one (1) year renewals upon the end of the original 48 months. This Agreement may be renegotiated prior to the end date so as to both parties are satisfied with the changes, taking effect after the first 48 months.

County shall continue to run its own commissary service. ALL products sold on the TEAM technology must be purchased from TurnKey/TKC Supply. To view prices for these products, the county may visit our website, www.TKCSupply.com. The county will create

their own account by registering on the website and notifying the Provider when they create or change the account so the Provider may make the necessary changes so it reflects the correct pricing on the website.

On other revenue activities, the county will earn a 22 percent commission on day 181 into the Agreement, as long as the Provider is still servicing Titus County.

Free Shipping on all commissary orders that are sold through TEAM technology.

County and Provider agree that the County can sell electronic cigarettes on the side and not have to order them through the Provider.

3. Scope of Services

The parties agree to the following services during the term of the agreement;

Provider shall maintain equipment as listed below and TEAM software system at the Titus County Jail;

Equipment:

- a. 1 Lobby Kiosk with credit/debit card reader. \$2 fees for cash and debit/credit card processing fees of \$8.95 are all retained by Turnkey.
- b. 22 Inmate Kiosks.
- c. 0 Pop Machine(s). Additional machines may be installed at a later date.
- d. 0 Vending Machine(s). Additional machines may be installed at a later date.
- e. TEAM Software installed on all computers deemed necessary by facility.
- f. 1 Booking & Release Station with all necessary hardware.

All Equipment is installed, including any electrical or data lines necessary, at the cost of TurnKey as long as the Provider has reasonable access to the existing lines to connect to.

Trust Accounting Software: provider shall furnish, install, repair, and maintain all trust accounting software. The following is an overview of the TEAM trust accounting software features available to the County;

4. Account Management

- Easy-to-use Interface steps users through Account Creation (booking) and Account Close (release) processes.
- Account Creation process gathers inmate information, accepts numerous deposit types, and allows site charges to be applied against the account.

- Account Release process allows site charges to be applied against the account, and returns money to the inmate through numerous withdrawal options according to Facility preference.
- Track general inmate information including name, Inmate#, Unit#, language, status, audit information (user and date/time stamp of record creation and the last time the account was altered).
- Search for Accounts based on any combination of the following: inmate#, first/middle/last name, unit#, language, status, account group and soundex searches.
- Account Groups — each site has the ability to setup unlimited account groups. There are three types of account groups: (1) Accounting — Control maximum allowable spend and/or lien balance per account. Additional transaction limit controls allow one to define minimum and maximum allowable transaction dollar amounts; (2) Commissary — Defines product availability, pricing and commission on product sales (e.g. restrict commissary product list for Indigent Inmates and bill products to indigents at different rate); and (3) Access — Define access to specific modules by Account Group (e.g. grant/restrict access to cashless services, commissary, kiosk mail, etc.)

5. Currency Handling

- Cash-receiving (via bill acceptors/lock boxes), also referred to as "Money-In".
 - "Money-In" machine receives cash into a secured locked box and automatically records the transaction to the Inmates account.
- Cash is primarily deposited to accounts through the "Money-In" acceptor. The system also has the ability to access a cash, check or money order deposit entered manually.
- Secure bill-acceptor reduces counting time associated with cash and removes cash handling responsibility from jail staff.
- Electronically counts bills received to ensure the deposited amount is 100% accurate.
- Eliminates theft of cash due to locked box acceptors.
- Eliminates errors with postings of cash transactions via use of the "Money-In" acceptors.
- Checks for counterfeit bills and will not accept them if a counterfeit bill is detected.
- Cash no longer needs to be counted. The "Money-In" acceptor does it all now.
- Lobby kiosk functions similar to the "Money-In" or an ATM machine to receive cash deposits for Inmates in public areas. This feature again eliminates cash handling by the jail staff.
- Site Charges.
 - Unlimited site charges may be created.

Variable site charge options — Define minimum and maximum amounts for site charges.

- The site charges also have a default amount set with every charge for ease of appliance.
- Recovery of negative site charges.

Accounting

- Management of Inmate Trust Account.
- Double-entry accounting.
- Check Book and Bank Statement reconciliation
 - Control accounts for AP Inmate, AP Vendor, and Lien.

Custom-defined transaction types — Use pre-built transaction types to create your own types that are labeled using your own wording.

Configure which transaction types will have per transaction and/or per-day limits.

- Negative balances/liens - Accounts can be configured to run a negative balance/lien for specific designated accounts. A deposit is first applied against an outstanding lien with any remaining balance available to the inmate.
 - Recovered funds (funds received on an account that is carrying a lien balance) are allocated to the jail site charge account associated with the lien.
 - Check signatures can be printed using an authorized scanned signature.
 - Write checks to third parties (i.e. Vendors) from the inmate trust account.
 - Detailed audit trail of all transactions.

Manual notes can be entered for each transaction.

- Ability to track and report on site charges.

6. Reports

Customization available.

- Automatically generates Account Balance Summary, Deposit Transactions, Cash-in Transactions, System Balance, Transaction History, Refund Transactions, Check Register, Void Checks, Daily Balance, Daily Shift, Inmate Deposits, Inmate Detail, Inactive Accounts, Closed Accounts, Event Log, Kiosk Status, Site Charge Detail, and Site Charge Grouping reports and many more additional reports.

- Export reports to Adobe Acrobat, Microsoft Excel formats, CSV, HTML and Comma Delineated.

7. Equipment and Maintenance

Provider shall furnish, install, repair and maintain all equipment and software. Provider agrees to keep all equipment in good order and operating condition.

Each of the parties agrees to cooperate with the other and to perform all tasks necessary or desirable for the mutual benefit of both of the parties to operate a well operated inmate commissary service for the Titus County Jail.

Provider shall supply all products that are to be sold through the commissary system that are pre-approved by the County and will set the prices at an amount agreed upon by the County.

Additional modules, such as additional vending machines, kiosks, and money in units may be added in the future without cost to the County to ensure efficient daily operations as well as to support future growth of Provider services and County expansion. These details to be discussed at the time of the request.

Provider agrees to train all Jail staff in software and account reporting as needed.

Provider agrees to assist the County with customized inmate account reports needed by the County for tracking, bookkeeping and auditing purposes and training on the same.

8. Compensation and Terms of Payment

A. Compensation

Provider shall conform to the schedule of initial prices as agreed upon by both parties. Prices shall be subject to change by Provider after approval of the County and the new prices shall be reduced to writing in a new schedule. Prices may change for economic reasons such as inflation.

B. Terms of Payment

The invoices shall also include discount as applicable to the disclosed commission rate outlined on Page 1, that will be retained by the County as a commission.

Commissions shall be based on gross sales and shall be net of all applicable sales tax and postage if necessary.

The County's authorized agent shall have the authority to review the invoices, and no payment shall be made without the approval of the authorized agent. Payments shall be made within thirty (30) days after receipt of invoices for services performed and acceptance of such services by the authorized agent of the County.

9. Condition of Payment

All services provided by Provider pursuant to this agreement shall be performed to the satisfaction of the County, and in accordance with all applicable federal, state and local laws, ordinances, rules and regulations. Payment shall be withheld for work found by the County to be unsatisfactory, or performed in violation of federal, state and local laws, ordinances, rules or regulations. If Provider and the County agree, any controversy or claim arising out of or relating to this agreement shall be settled between the parties by arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Each party shall pay its own costs resulting from the utilization of the arbitration process. The fees and costs charged by the American Arbitration Association shall be borne equally by the parties.

10. Authorized Agents

The County shall appoint an authorized agent for the purpose of administration of this agreement. The County is notified the authorized agents for Provider are as follows:

Rob Allen — General Information
Phone - 715-386-5700

Eric Bloms — IT Information Phone:
715-386-5700

11. County and State Audit

Pursuant to Texas State Law, the books, records, documents, and accounting procedures and practices of Provider relative to this agreement shall be subject to examination by the County and the State Auditor. Complete and accurate records of the work performed pursuant to this agreement shall be kept by Provider for a minimum of six (6) years following termination of this agreement for such auditing purposes. The retention period shall be automatically extended during the course of any administrative or judicial action involving the County of Titus regarding matters to which the records are relevant. The retention period shall be automatically extended until the administrative or judicial action is finally completed or until the authorized agent of the County notifies Provider in writing that the records need no longer be kept.

12. Indemnity

Provider agrees to defend, indemnify, and hold the County, its employees and officials harmless from any claims, demands, actions or causes of action, including reasonable attorney's fees and expenses resulting directly or indirectly from any negligent act or omission on the part of Provider, or its subcontractors, partners or independent contractors or any of their agents or employees, in the performance of or with relation to any of the work or services to be performed or furnished by Provider or the subcontractors, partners or independent contractors or any of their agents or employees under the agreement.

Provider shall be responsible for the professional quality, technical accuracy, and the coordination of all services furnished by Provider under this agreement. Provider shall, without additional compensation, correct or revise any errors or deficiencies in Provider's final reports and services.

County agrees to defend, indemnify, and hold the Provider harmless from any claims, demands, actions, or causes of action, including reasonable attorneys' fees and expenses related to inmates' claims regarding the use of Provider's system at the County's facility when the system operates within guidelines agreed to by the County.

13. Insurance

Provider shall not commence work under this agreement until it has obtained at its own cost and expense all insurance required herein. All insurance coverage is subject to approval of the County and shall be maintained by Provider throughout the duration of this agreement.

Workers' Compensation:

- a. State: Texas - Statutory
- b. Employer's Liability with minimum limits of:
 - Bodily Injury by Accident: \$ 100,000 each Accident
 - Bodily Injury by Disease: \$100,000 each Employee
 - Bodily Injury by Disease: \$500,000 policy limit
- c. Benefits required by union labor Agreements: As applicable

B. Commercial General Liability

Including Premises, Operations, Products, Completed Operations, Advertising and Personal Injury Liability, with the following minimum limits of liability:

\$2,000,000 Aggregate

\$1,000,000 Products & Completed Operations Aggregate

\$2,000,000 Personal Injury & Advertising Injury

\$2,000,000 Occurrence

\$ 100,000 Fire Damage Limit

\$ 20,000 Medical Expense

Policy should be written on an occurrence basis and include explosion, collapse and underground.

C. Commercial Auto Liability

Minimum limits of liability shall be:

If split limits: \$2,000,000 each person/\$2,000,000 each occurrence

\$2,000,000 each occurrence for Property Damage

If combined single limit: \$1,000,000 per occurrence

D. Proof of Insurance

Insurance certificates evidencing that the above insurance is in force with companies acceptable to County and in the amounts required shall be submitted to County for examination and approval prior to the execution of the agreement, after which they shall be filed with County. The insurance certificate shall name the County as an additional insured and specifically provide that a certificate shall not be modified, canceled or nonrenewal except upon thirty (30) days prior written notice to County. Neither County's failure to require or insist upon certificates or other evidence of insurance showing a variance from the specified coverage changes Provider's responsibility to comply with the insurance specifications.

14. Termination

Parties warrant to adhere to the provisions as described in this agreement. Should a reasonable claim by one Party of failure of the other to fulfill a provision, the Party must be issued Notice in writing describing specific failures and a reasonable plan of corrective action to Cure the Notice that includes a minimum of sixty (60) days to implement and correct actions detailed. Only upon the expiration of this sixty (60) days may Notice be issued that the agreement outlined here within may be terminated prior to the expiration of this agreement and only may be terminated with a minimum of ninety (90) days' notice to vacate services.

15. Independent Contractor

It is agreed that nothing contained in this agreement is intended or should be construed as creating the relationship of a partnership, a joint venture, or an association with the County and Provider. Provider is an independent contractor and neither it, its employees, agents, subcontractors nor representatives shall be considered employees, agents or representatives of the County. Except as otherwise provided herein, Provider shall maintain, in all respects, its present control over the means and personnel by which this agreement is performed. From any amounts due Provider, there shall be no deduction for federal income tax or FICA payments nor for any state income tax, nor for any other purposes which are associated with an employer/employee relationship unless otherwise required by law. Payment of federal income tax, FICA payments, state income tax, unemployment compensation taxes, and other payroll deductions and taxes are the sole responsibility of Provider.

16. Notices

Any notices to be given under this agreement shall be given by enclosing the same in a sealed envelope, postage prepaid, and depositing the same in the United States Postal Service, addressed to one of the authorized agents of Provider at its address stated herein, and to the authorized agent of the County at the address stated herein.

17. Controlling Law

The laws of the State of Texas shall govern all questions and interpretations concerning the validity and construction of this agreement and the legal relations between the herein parties and performance under it. The appropriate venue and jurisdiction for any litigation hereunder will be those courts located with the County of Titus, State of Texas.

Litigation, however, in the federal courts involving the herein parties will be in the appropriate federal court within the State of Texas. If any provision of this agreement is held invalid, illegal or unenforceable, the remaining provisions will not be affected.

18. Successors and Assigns

The County and Provider, respectively, bind themselves, their partners, successors, assigns, and legal representatives to the other party to this agreement and to the partners, successors, assigns, and legal representatives of such other party with respect to all covenants of this agreement. Neither the County nor Provider shall assign, sublet, or transfer any interest in this agreement without the prior written consent of the other.

19. Subcontracts

Provider shall not subcontract any portion of the work to be performed under this agreement nor assign this agreement without the prior written approval of the authorized agent of the County. Provider shall ensure and require that any subcontractor agrees to and complies with all of the terms of this agreement. Any subcontractor of Provider used to perform any portion of this agreement shall report to and bill Provider directly. Provider shall be solely responsible for the breach, performance or nonperformance of any subcontractor.

20. Force Majeure

The County and Provider agree that Provider shall not be liable for any delay or inability to perform this agreement, directly or indirectly caused by or resulting from strikes, labor troubles, accidents, fire, flood, breakdowns, war, riot, civil commotion, lack of material, delays of transportation, acts of God or other cause beyond reasonable control of Provider and the County.

21. Data Practices

Provider, its agents, employees and any subcontractors of Provider in providing all services hereunder, agree to abide by the provisions of the Texas Government Data Practices Act. Provider understands that it must comply with these provisions as if it were a government entity. Provider agrees to indemnify and hold the County, its officers, department heads and employees harmless from any claims resulting from Provider's unlawful disclosure or use of data protected under state and federal laws.

22. Access to Premises

The County shall arrange access as necessary to work sites for Provider for the purpose of performing the work described in this agreement.

23. Equal Employment and Americans with Disabilities

In connection with the work under this agreement, Provider agrees to comply with the applicable provisions of state and federal equal employment opportunity and nondiscrimination statutes and regulations. In addition, upon entering into this agreement, Provider certifies that it has been made fully aware of Titus County's Equal Employment Opportunity and Americans with Disabilities Act Policy.

24. Changes

The parties agree that no change or modification to this agreement, or any attachments hereto, shall have any force or effect unless the change is reduced to

writing, dated, and made part of this agreement. The execution of the change shall be authorized and signed in the same manner as for this agreement.

25. Severability

In the event any provision of this agreement shall be held invalid and unenforceable, the remaining provisions shall be valid and binding upon the parties unless such invalidity or non-enforceability would cause the agreement to fail its purpose. One or more waivers by either party of any provision, term, condition or covenant shall not be construed by the other party as a waiver of a subsequent breach of the same by intending to be bound thereby.

By signing below and mailing back 2 copies of this agreement you agree to these terms. Once both forms are received by Provider, we will sign and mail one (1) original document back to Titus County for your records.

Titus County Texas

TurnKey Corrections

By: *Byron P. Lee* Titus County Judge
Titus County Authorized Representative

By: _____
Todd Westby, CFO

Date: Oct 11, 2016

Date: _____

