

STATE OF TEXAS §  
COUNTY OF TRAVIS §

AMENDMENT 1 TO CONTRACT NUMBER SE065

The Texas Youth Commission, hereinafter TYC, and Walter Quijano, sole ownership, 2300 Holloman Street, Room 209, Conroe, Texas 77301, hereinafter Service Provider, acknowledge that they have previously entered into a contract for the provision of sexual behavior follow-up treatment services to TYC youth for the period September 1, 2005 through August 31, 2007. This contract is identified as Contract Number SE065.

The parties agree to the following amendment(s):

Change Service Provider's name and entity to: Walther Y. Quijano, PH. D., P. C., professional corporation.

This is also being amended to change the address on page 1, paragraph 1 and in IV. General Provisions, Article 12: Notice to the following:

901 N. Thompson Street, Conroe, Texas 77301

The effective date of this amendment is December 1, 2006.

For the Texas Youth Commission:

Paula Morelock  
Paula Morelock  
Director of Juvenile Corrections

Date

For the Service Provider:

Walter Quijano, PH.D.  
Signature

Date

Approved as to form:

Harold A. Nelson  
TYC Attorney

STATE OF TEXAS §  
COUNTY OF TRAVIS §

82-6  
CW 06900004

### CONTRACT FOR SEXUAL BEHAVIOR FOLLOW-UP TREATMENT SERVICES

This contract entered into on September 1, 2005 by and between the Texas Youth Commission, hereinafter TYC, and Walter Quijano, sole ownership, 2300 Holloman Street, Room 209, Conroe, Texas 77301 hereinafter Service Provider, for the provision of sexual behavior follow-up treatment services for TYC youth. This contract, Number SE065 will expire on August 31, 2007.

This contract is entered into under the authority of §61.037, Human Resources Code, for the mutual considerations described in this contract.

#### I. SERVICE PROVIDER

The Service Provider agrees to perform the following services for TYC youth:

- A. Maintain a Sex Offender Treatment Provider license (Licensed Sex Offender Treatment Provider) issued by the Council on Sex Offender Treatment for the full term of the contract as pre-approved by TYC's Rehabilitation Service Department before any services are rendered pursuant to this contract. All counselors providing services to TYC youth, after this contract is fully executed, must be properly qualified and credentialed and pre-approved by TYC's Rehabilitation Services Department before any services are rendered pursuant to this contract.
- B. Review the treatment records and TYC recommendations for continuing treatment. Services described in this paragraph required only the first month youth is admitted for treatment.
- C. Conduct an initial assessment of the youth specific to the sexual behavior problems to determine youth's status and to establish the basis for developing youth's treatment plan. Services described in this paragraph required only the first month youth is admitted for treatment.
- D. Develop a written Individual Case Plan that contains treatment objectives designed to address and minimize the youth's risk factors or triggers for sexual and delinquent reoffending.
- E. Provide three (3) hours per week of treatment services including group counseling, collateral contacts and case management. Collateral contacts and case management shall comprise no more than one-half (1/2) hour per week except for first week of services during which up to three hours may be developed to review assessment and case planning.

OR when group services are not feasible because not enough youth are available;

Provide one and one-half (1 1/2) hours per week of treatment services including individual counseling, and one-half (1/2) hour of collateral contacts and case management.

Collateral contacts to include attending Admissions Review and Dismissal (A.R.D.) meetings, Community Resource Coordination Group (C.R.C.G.) staffings and development of the treatment plan, interview and evaluation of youth, meetings with TYC staff and monthly progress reports.

- F. Provide monthly progress reports to TYC Primary Service Worker that include:

- 1. Summary of youth's participation in individual and group counseling,
- 2. Summary of youth's overall behavior,
- 3. Relevant therapeutic issues,
- 4. Family interventions or counseling.

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services were provided, whichever is longer. If any litigation, claims, disputes, or audit involving these records begins before the three (3) years and 90 calendar days period expires, the Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TYC and the Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments.

R. Disclose in writing to the Director of Juvenile Corrections any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.

1. A related party always includes a family member by blood or marriage, (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.

2. Service Provider must report to TYC any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.

3. Any violation of this section can be considered a breach and could result in administrative error sanctions or termination.

S. Cooperate with or testify in judicial proceedings, legislative and administrative hearings or investigations, at the request of TYC.

T. Notify TYC if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide to or obtain from TYC protected health information.

## II. TYC

For and in consideration of the services provided to TYC youth in placement by Service Provider, TYC will:

A. Determine which youth are eligible for referral to Service Provider's program and make appropriate referrals.

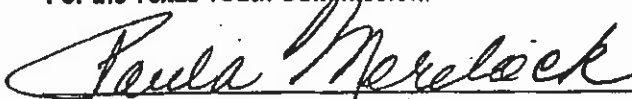
B. Pay for services rendered by Service Provider at the rate of \$105.00 per youth per week. The Service Provider will be paid 50% of the weekly rate for each week the youth does not participate (no-show), unless the youth calls ahead of time to reschedule the appointment and the rescheduled appointment is met. Service Provider will be paid for no more than two weeks of nonparticipation (no-show) per youth. The cumulative payments to Service Provider to be paid under this contract shall not exceed \$6,500.00.

C. Terms of payment shall be in accordance with Chapter 2251, Texas Government Code and Texas Government Code 403.055(h) that "payment owing to the contractor under this contract will be applied toward elimination of the contractor's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Comptroller administers or collects until the indebtedness or delinquency is paid in full."

D. Take appropriate action if notified of youth or family not being available for scheduled visit.


Investigation or audit. Failure to cooperate with the State Auditor may subject Service Provider to criminal penalties.

For the Texas Youth Commission:

  
Paula Morelock, Director of Juvenile Corrections

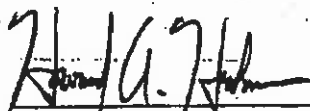
10/25/05  
Date

For the Service Provider:

  
Service Provider

10.17.05  
Date

Approved as to form:

  
TYC Attorney

10/10/05  
Date

Contract Number: SE065

STATE OF TEXAS §  
COUNTY OF TRAVIS §

### CONTRACT FOR SEXUAL BEHAVIOR FOLLOW-UP TREATMENT SERVICES

This contract is effective on September 1, 2007 and is by and between the Texas Youth Commission, hereinafter TYC, and Walter Quijano, PHD, PC, professional corporation, 901 N. Thompson, Conroe, Texas 77301 hereinafter Service Provider, for the provision of sexual behavior follow-up treatment services for TYC youth. This contract, Number SE0081 will expire on August 31, 2009.

This contract is entered into under the authority of §61.037, Human Resources Code, for the mutual considerations described in this contract.

#### I. SERVICE PROVIDER

The Service Provider agrees to perform the following services for TYC youth:

- A. Maintain a Sex Offender Treatment Provider license (Licensed Sex Offender Treatment Provider) issued by the Council on Sex Offender Treatment for the full term of the contract as pre-approved by TYC's Rehabilitation Service Department before any services are rendered pursuant to this contract. All counselors providing services to TYC youth, after this contract is fully executed, must be properly qualified and credentialed and pre-approved by TYC's Education, Treatment and Workforce Development Department before any services are rendered pursuant to this contract.
- B. Review the treatment records and TYC recommendations for continuing treatment. Services described in this paragraph required only the first month youth is admitted for treatment.
- C. Conduct an initial assessment of the youth specific to the sexual behavior problems to determine youth's status and to establish the basis for developing youth's treatment plan. Services described in this paragraph required only the first month youth is admitted for treatment.
- D. Develop a written individual Case Plan that contains treatment objectives designed to address and minimize the youth's risk factors or triggers for sexual and delinquent reoffending.
- E. Provide three (3) hours per week of treatment services including group counseling, collateral contacts and case management. Collateral contacts and case management shall comprise no more than one-half (1/2) hour per week except for first week of services during which up to three hours may be developed to review assessment and case planning.

OR when group services are not feasible because not enough youth are available;

Provide one and one-half (1 1/2) hours per week of treatment services including individual counseling, and one-half (1/2) hour of collateral contacts and case management.

Collateral contacts to include attending Admissions Review and Dismissal (A.R.D.) meetings, Community Resource Coordination Group (C.R.C.G.) staffings and development of the treatment plan, interview and evaluation of youth, meetings with TYC staff and monthly progress reports.

F. Provide monthly progress reports to TYC Primary Service Worker that include:

1. Summary of youth's participation in individual and group counseling,
2. Summary of youth's overall behavior,
3. Relevant therapeutic issues,
4. Family interventions or counseling,

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services were provided, whichever is longer. If any litigation, claims, disputes, or audit involving these records begins before the three (3) years and 90 calendar days period expires, the Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TYC and the Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments.

- R. Disclose in writing to the Deputy Director Residential Support Services any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.
1. A related party always includes a family member by blood or marriage, (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.
  2. Service Provider must report to TYC any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.
  3. Any violation of this section can be considered a breach and could result in administrative error sanctions or termination.
- S. Cooperate with or testify in judicial proceedings, legislative and administrative hearings or investigations, at the request of TYC.
- T. Notify TYC if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide to or obtain from TYC protected health information.

## II. TYC

For and in consideration of the services provided to TYC youth in placement by Service Provider, TYC will:

- A. Determine which youth are eligible for referral to Service Provider's program and make appropriate referrals.
- B. Pay for services rendered by Service Provider at the rate of \$105.00 per youth per week. The Service Provider will be paid 50% of the weekly rate for each week the youth does not participate (no-show), unless the youth calls ahead of time to reschedule the appointment and the rescheduled appointment is met. Service Provider will be paid for no more than two weeks of nonparticipation (no-show) per youth. The cumulative payments to Service Provider to be paid under this contract shall not exceed \$6,552.00.
- C. Terms of payment shall be in accordance with Chapter 2251, Texas Government Code and Texas Government Code 403.055(h) that "payment owing to the contractor under this contract will be applied toward elimination of the contractor's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Comptroller administers or collects until the indebtedness or delinquency is paid in full."
- D. Take appropriate action if notified of youth or family not being available for scheduled visit.



STATE OF TEXAS §  
COUNTY OF TRAVIS §

RECEIVED  
SEP 22 2009  
ESA - CASE MGMT

RECEIVED  
SEP 22 2009  
ESA - QA Dept.

FY10

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CONTRACT FOR SEXUAL BEHAVIOR FOLLOW-UP TREATMENT SERVICES  
NUMBER SE103

This contract effective September 1, 2009 and is by and between the Texas Youth Commission, hereinafter TYC, and Walter Quljano, 901 N. Thompson, Conroe, Texas 77301 hereinafter Service Provider, for the provision of sexual behavior follow-up treatment services for TYC youth. This contract, Number SE103 will expire on August 31, 2011.

This contract is entered into under the authority of §61.037, Human Resources Code, for the mutual considerations described in this contract.

I. SERVICE PROVIDER

The Service Provider agrees to perform the following services for TYC youth:

- A. Maintain a Sex Offender Treatment Provider license (Licensed Sex Offender Treatment Provider) issued by the Council on Sex Offender Treatment for the full term of the contract as pre-approved by TYC's Department of Integrated Treatment and Support Services before any services are rendered pursuant to this contract. All counselors providing services to TYC youth, after this contract is fully executed, must be properly qualified and credentialed and pre-approved by TYC's Department of Integrated Treatment and Support. Services before any services are rendered pursuant to this contract.
- B. Review the treatment records and TYC recommendations for continuing treatment. Services described in this paragraph required only the first month youth is admitted for treatment.
- C. Conduct an initial assessment of the youth specific to the sexual behavior problems to determine youth's status and to establish the basis for developing youth's treatment plan. Services described in this paragraph required only the first month youth is admitted for treatment.
- D. Develop a written Individual Case Plan that contains treatment objectives designed to address and minimize the youth's risk factors or triggers for sexual and delinquent reoffending.
- E. Provide three (3) hours per week of treatment services including group counseling, collateral contacts and case management. Collateral contacts and case management shall comprise no more than one-half (1/2) hour per week except for first week of services during which up to three hours may be developed to review assessment and case planning.

OR when group services are not feasible because not enough youth are available;

Provide one and one-half (1 1/2) hours per week of treatment services including individual counseling, and one-half (1/2) hour of collateral contacts and case management.

Collateral contacts to include attending Admissions Review and Dismissal (A.R.D.) meetings, Community Resource Coordination Group (C.R.C.G.) staffings and development of the treatment plan, interview and evaluation of youth, meetings with TYC staff and monthly progress reports.

F. Provide monthly progress reports to TYC Primary Service Worker that include:

- 1. Summary of youth's participation in individual and group counseling.
- 2. Summary of youth's overall behavior.

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- Q. Maintain and retain records for a minimum of three (3) years and 90 calendar days after the termination of the contract period, or for three (3) years after the end of the federal fiscal year in which services were provided, whichever is longer. If any litigation, claims, disputes, or audit involving these records begins before the three (3) years and 90 calendar days period expires, the Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TYC and the Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments.
- R. Disclose in writing to the Director Procurement, Contracts and Support Services any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.
1. A related party always includes a family member by blood or marriage, (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.
  2. Service Provider must report to TYC any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.
  3. Any violation of this section can be considered a breach and could result in administrative error sanctions or termination.
- S. Cooperate with or testify in judicial proceedings, legislative and administrative hearings or investigations, at the request of TYC.
- T. Notify TYC if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide to or obtain from TYC protected health information.
- U. When a Texas business address shown hereon that address is, in fact, the legal business address of Service Provider and the Service Provider qualifies as a Texas Resident Bidder under 1 TAC § 111.2.

## II. TYC

For and in consideration of the services provided to TYC youth in placement by Service Provider, TYC will:

- A. Determine which youth are eligible for referral to Service Provider's program and make appropriate referrals.
- B. Pay for services rendered by Service Provider at the rate of \$105.00 per youth per week. The Service Provider will be paid 50% of the weekly rate for each week the youth does not participate (no-show), unless the youth calls ahead of time to reschedule the appointment and the rescheduled appointment is met. Service Provider will be paid for no more than two weeks of nonparticipation (no-show) per youth. The cumulative payments to Service Provider to be paid under this contract shall not exceed \$13,104.00.
- C. Terms of payment shall be in accordance with Chapter 2251, Texas Government Code and Texas Government Code 403.055(h) that payment owing to the contractor under this contract will be

For the Texas Youth Commission:

RL-71 9.15.09  
Robin McKeever, Director of Administrative Services Date

For the Service Provider:

WALTER Y. BOWMAN WALTER Y. BOWMAN PRESIDENT 9-21-09  
Signature Print Title Date

Approved as to form:

[Signature] [Signature] 09/14/09  
TYC Attorney Date

Contract Number: SE103

FY10

STATE OF TEXAS   §  
                             §  
COUNTY OF TRAVIS §

**CONTRACT FOR PSYCHOLOGICAL ASSESSMENT SERVICES**  
**Number SI1014**

This contract is effective February 1, 2010, and is by and between the Texas Youth Commission, hereinafter TYC, and Walter Quijano, 901 N. Thompson, Conroe, Texas 77301, hereinafter Service Provider, for the provision of psychological assessment services to TYC youth. This contract, Number SI1014, will expire on August 31, 2010.

This contract is entered into under the authority of §61.037, Human Resources Code, for the mutual considerations described in this contract.

**I. SERVICE PROVIDER**

For and in consideration of the payment of fees for psychological assessments, Service Provider will:

- A. Maintain a License for Psychological Assessments for the full term of the contract as pre-approved by the TYC Department of Integrated Treatment and Support before any services are rendered pursuant to this contract. All Service Providers providing services to TYC youth, after this contract is fully executed, must be properly qualified and credentialed. The Service Provider shall immediately notify TYC of any revocation, suspension or other withdrawal of authority to operate under said documents(s).
- B. Provide assessments to determine eligibility for counseling services.
- C. Develop goals and objectives for counseling services.
- D. Provide written records and reports, interpret assessment results and attend Admission, Review and Dismissal (ARD) meetings in person or by phone for students receiving counseling services.
- E. Provide speech therapy according to goals and objectives at any Texas Youth Commission (TYC) facility where services are required.
- F. Communicate verbally, when appropriate, any information regarding the youth.
- G. Notify the Contracts Manager in writing of all revenue sources and reimbursements from third parties for any and all costs or services associated exclusively with a youth served under this contract. Billing more than one revenue source for the same costs or services provided a single youth is prohibited and shall be recouped or administrative error sanctions shall be imposed as set forth herein. Neither a youth nor his/her parents or guardians will be required to pay for the support of the youth in the program, unless otherwise ordered.
- H. Submit claims for payment to the facility where services were performed on an invoice bearing Service Provider's name and address no later than ten (10) days from the last day of the month for which payment is being requested. Invoices must contain names of youth, TYC numbers, the dates and number of hours of service provided to each youth, and a description of the services provided for each youth.
- I. Afford TYC access to TYC youth and all records and/or information regarding TYC youth at all times.
- J. Forward copies of any audits, monitoring, or investigative reports completed on the Service Provider within five (5) work days of receipt.

K. Allow TYC/designee to perform monitoring, performance evaluations, investigations, or audits.

1. Provide access, inspection, and reproduction to all records related to services rendered under this contract which are necessary to facilitate monitoring, performance evaluations, investigations or audits.
2. Records include, but are not limited to, contracts, notes, real property documents, accounting/financial records, written policies and procedures, correspondence, performance evaluation data and reports, and any other information pertinent to revenues, costs, expenses, and performance of services provided under this contract belonging to either the Service Provider, its subsidiaries, parent and/or affiliate(s), including subconsultants, subcontractors, employees, and any and all related parties to the contract. Related Party is defined below.
3. Upon request by TYC and during reasonable business hours, provide facilities to TYC/designee to perform any of the functions listed in this subsection, as well as adequate and appropriate work space and copier.

L. Maintain all financial records in accordance with generally accepted accounting principles.

M. Maintain and retain records for a minimum of three (3) years and 90 calendar days after the termination of the contract period, or for three (3) years after the end of the federal fiscal year in which services were provided, whichever is longer. If any litigation, claims, disputes, or audit involving these records begins before the three (3) years and 90 calendar days period expires, the Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TYC and the Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments.

N. Disclose in writing to the Contracts Manager any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.

1. A related party always includes a family member by blood or marriage, (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.
2. Service Provider must report to TYC any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.
3. Any violation of this section can be considered a breach and could result in administrative error sanctions or termination.

O. Cooperate with or testify in judicial proceedings, legislative and administrative hearings or investigations, at the request of TYC.

P. Service Provider is to notify TYC if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide to or obtain from TYC protected health information.

## II. TYC

For and in consideration of the services provided to TYC youth in placement by Service Provider, TYC will:

- A. Determine which youth are eligible for referral to Service Provider's services and make appropriate referrals.
- B. Pay for services rendered by Service Provider at following rates:

1. Cognitive Intellectual Assessments	\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$400.00 per Assessment;
2. Evaluation of Learning Abilities	\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$800.00 per Assessment;
3. Evaluation of Attention-Deficit/ Hyperactivity Disorder	\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$450.00 per Assessment
4. Evaluation of Emotional and Psychological Functioning	\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$500.00 per Assessment;
5. Comprehensive Assessment	\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$ 1200.00 per Assessment;
6. Consultation/counseling Progress Reports/Meeting with staff members	\$200.00 per hour for the first hour; \$100.00 per hour after that; and
7. Report Interpretation in writing and At ARD meeting (in person or by phone)	\$200.00 per hour for the first hour, \$100.00. per hour after that.

The cumulative payments to Service Provider to be paid under this contract shall not exceed \$10,000.00 dollars.

- C. Terms of payment shall be in accordance with Chapter 2251, Texas Government Code and Texas Government Code 403.055(h) that "payment owing to the contractor under this contract will be applied toward elimination of the contractor's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Comptroller administers or collects until the indebtedness or delinquency is paid in full."
- D. Establish a work schedule convenient to both parties. The work schedule may be altered by either party when necessary, with mutual agreement, and reasonable notice to the other party.
- E. Review and approve Service Provider's qualifications.

## III. CERTIFICATIONS

### Article 1: Equal Opportunity

Service Provider certifies compliance with all terms, provisions, and requirements of Titles VI and VII, Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and any other Federal, state, local or other

anti-discriminatory act, law, statute or regulation, along with all amendments and revisions of the acts, laws, statutes or regulations, in the performance of this contract, and will not discriminate against any child or youth, client, employee, or applicant for employment because of race, creed or religion, age, sex, color, national or ethnic origin, handicap, or any other illegal discriminatory basis or criteria.

#### **Article 2: Unfair Business Practices**

Service Provider certifies that it or its officers have not been found guilty in a judicial or state administrative agency proceeding of unfair business practices as set out in the Texas Business and Commerce Code and that no officer of Service Provider has served as an officer of another company which has been found guilty in a judicial or state administrative agency proceeding of unfair business practices. If the above certifications are false, this contract is void.

#### **Article 3: Franchise Taxes**

**Section 1:** Service Provider certifies that should Service Provider be subject to payment of Texas franchise taxes, all franchise taxes are current. If such certification is false this contract may be terminated at the option of TYC or other administrative error sanctions may be taken.

**Section 2:** If Service Provider is exempt from payment of Texas franchise taxes, Service Provider shall so indicate by attachment to this contract.

**Section 3:** If Service Provider's payment of Texas franchise taxes becomes delinquent during the term of this contract, Service Provider will notify TYC within 24 hours. If such delinquency cannot be cured within 24 hours and a copy of the Certification of Account Status proving payment of delinquent taxes cannot be provided to TYC, this contract may be terminated at the option of TYC or other administrative error sanctions may be taken under the provisions of the contract.

#### **Article 4: Asbestos Regulation Compliance**

Service Provider certifies compliance with the Asbestos Hazard Emergency Response Act of 1986 (AHERA) by having on file with the Texas Department of State Health Services (DSHS) a copy of Service Provider's AHERA Management Plan for each facility the Service Provider owns, leases, or otherwise uses as a school or is part of a school, grades kindergarten through 12, inclusive where applicable. Prior to the initiation of services under this contract, Service Provider shall provide to TYC a certification of an asbestos-free environment or a copy of the DSHS acceptance and approval for the Service Provider's AHERA Asbestos Management Plan(s). Service Provider shall comply with the approved Management Plan during the term of this contract and any renewals; failure to do so shall be grounds for termination of the contract. Should DSHS approve a revised or modified Management Plan, a copy of the DSHS acceptance and approval of the revised or modified Management Plan shall be furnished to TYC.

#### **Article 5: Human Immunodeficiency Virus Services Act Compliance**

**Section 1:** Service Provider certifies compliance with the HIV Services Act, [Vernon's Texas Code Annotated (VTCA): Health and Safety Code, Section 85.001, et seq] requirements for maintenance of confidentiality regarding HIV and its related conditions, including Acquired Immunodeficiency Syndrome (AIDS).

**Section 2:** Service Provider further certifies that workplace guidelines are developed and implemented. Service Provider may elect to use workplace guidelines developed and implemented by TYC. Should Service Provider not elect to use workplace guidelines developed and implemented by TYC, Service Provider agrees its workplace guidelines shall be similar to TYC's as required by §85.113, Texas Health & Safety Code.

**Section 3:** In the absence of confidentiality guidelines, Service Provider is not eligible to receive state funds, and Service Provider agrees to refund to the state any state funds Service Provider receives while ineligible.

**Article 6: Communicable Disease Prevention & Control Act Compliance**

Service Provider certifies compliance with the applicable provisions of the Communicable Disease Prevention and Control Act, (Vernon's Texas Code Annotated (VTCA); Health & Safety Code, Section 81.001 et seq).

**Article 7: Federal Confidentiality Compliance**

Any program that specializes, in whole or in part, in providing treatment, counseling, and/or assessment and referral services for youth with alcohol or other drug problems must comply with the Federal confidentiality regulations. Said regulations apply only to programs that are federally assisted either directly or indirectly. Service Provider certifies compliance with these Federal requirements for confidentiality [42 USC Section 290 dd-2; 42 CFR Part 2] and agrees to comply with said requirements for so long as this contract is in force.

**Article 8: Restriction on Possession of Weapons**

Service Provider agrees that Service Provider or any associates providing services on behalf of Service Provider, shall not carry or possess any type of firearm or other weapon as defined by Texas Penal Code Section 46.02 while rendering services to TYC youth under this contract. This prohibition includes the carrying of a concealed handgun licensed under the authority of Chapter 411, Subchapter H, Texas Government Code. Service Provider shall be under an affirmative duty to keep weapons out of the possession of TYC youth in Service Provider's care.

**Article 9: Required Disclosure of Lobbyist Activity**

Service Provider agrees that if any person who is an employee of, director of, subconsultant, or subcontractor for Service Provider is required to register as a lobbyist under Chapter 305, Texas Government Code at any time during the term of this contract. Service Provider shall notify TYC Director Procurement, Contracts and Support Services and provide timely copies of all reports filed with the Texas Ethics Commission as required by Chapter 305, Texas Government Code.

**Article 10: Notification to TYC of Subconsultants & Subcontractors**

**Section 1:** TYC shall be notified of the selection and/or use of all subcontractors, or subconsultants regularly used by the Service Provider in performing or assessing the performance of Service Provider's duties under this contract if paid or anticipated to be paid an amount exceeding \$5,000.00 during the term of this contract, and they are subject to the approval of TYC; said approval will not be unreasonably withheld.

**Section 2:** No contractual relationship will exist between Service Provider's subconsultants or subcontractors and TYC. TYC shall have no responsibility whatsoever for the conduct, actions, or commissions (active or passive) of any subconsultants or subcontractors in the performance of their duties under this contract.

**Section 3:** Service Provider shall be solely responsible for the management of any subconsultants or subcontractors in the performance of their duties under this contract.

**Article 11: Compliance with Child Support, §231.006, Family Code**

"Under §231.006, Family Code, the vendor or applicant certifies that the individual or business entity named in this contract or bid is not ineligible to receive the specified grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if his certification is inaccurate."

**SERVICE PROVIDER MUST PROVIDE, IN THE SPACE BELOW, THE NAME AND SOCIAL SECURITY NUMBER OF AN INDIVIDUAL OWNER, A SOLE PROPRIETOR AND ALL PARTNERS.**

For nonprofit corporations with no identifiable owner of twenty-five percent (25%) or more of the corporation, indicate with "none" on the first line below.

**Walter Quijano. 740-44-2755. 100%**  
**Name, Social Security Number, Percent (%)**

**Article 12: Compliance with §572.054, Texas Government Code, Former Officer or Employee of TYC**

**Article 13: Signatory Authority**

**Article 14: Compliance with §2252.901, Texas Government Code, Former or Retired Employees of the Agency**

## Article 15: SDN and Blocked Persons List

## Article 16: Terrorism

The Texas Youth Commission is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing - Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing respondents/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

#### **Article 17:: Fingerprint and Background Check:**

**Service Provider will:**

1. As directed, provide information regarding persons providing services under this Agreement and personnel access for a criminal background check including, but not limited to, fingerprinting check, criminal records check, sex offender registration records check, and drug test. Criminal background checks shall be conducted at TYC's expense and through TYC or TYC's contract providers for each of the Service Provider's employees, agents, consultants, subcontractors, subcontractor's employees, and volunteer workers. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who is unwilling to provide or who does not provide required information will not be allowed to work under this agreement. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall not work under this agreement until the criminal background check is completed and approval is obtained from TYC's Director of Human Resources.
2. Notify TYC's Director of Human Resources of any employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who works with TYC youth and who is arrested, indicted, or charged with a criminal offense or who resigns while under investigation for inappropriate conduct or policy violations. Such employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall be immediately suspended from working under this agreement unless authorized by TYC's Director of Human Resources.

TYC will approve any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker in accordance with TYC policies and procedures. TYC's designated contact for criminal background checks is the Director of Human Resources (512) 424-6000.

#### **Article 18: Convictions for Hurricane Katrina or Rita**

Under Section 21255.008, Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

#### **Article 19: Antitrust**

Service Provider represents and warrants that neither Service Provider nor any firm, corporation, partnership, or institution represented by Service Provider, or anyone acting for such firm, corporation or institution has, (1) violated the antitrust laws of the State of Texas under Tex. Bus. & Com. Code, Chapter 15, or the federal antitrust laws; or (2) communicated directly or indirectly the Proposal to any competitor or any other person engaged in such line of business during the procurement process for this Contract.

#### **Article 20: Contracting with Executive of State Agency**

Under Government Code §669.003, relating to contracting with an executive of a state agency, Respondent represents that no person who, in the past four years, served as an executive of the Texas Comptroller of Public Accounts TYC or any other state agency, was involved with or has any interest in this contract. If Service Provider employs or has used the services of a former executive head of TYC or other state agency, then Service Provider shall provide the following information: Name of former executive, name of state agency, date of separation from state agency, position with Service Provider, and date of employment with Service Provider.

#### **Article 21: Gifts and Gratuity**

By executing this agreement, the undersigned signatory certifies that he/she has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan gratuity,

special discount, trip, favor, or service to a public servant in connection with the submitted response. Failure to sign the agreement or signing it with a false statement shall void the agreement.

#### **Article 22: Debarment**

Service Provider certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Service Provider is in compliance with the State of Texas statutes and rules relating to procurement and that Service Provider is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epis.gov>.

### **IV. GENERAL PROVISIONS.**

#### **Article 1: Relationship of Parties**

The Service Provider is acting as an independent contractor and is wholly responsible for the day-to-day operations of its programs and employees; no joint venture, partnership, or agency exists nor shall be implied by the terms of this contract. No employee of Service Provider shall become an employee of TYC by virtue of this contract.

#### **Article 2: Indemnity**

Service Provider agrees to be liable for, and hereby does indemnify and hold harmless TYC and its officers, directors, agents, employees and representatives from and against any and all liability for any and all claims, suits, demands, causes of action, and/or damages, (including costs of court and reasonable attorneys' fees) arising from or based upon misconduct, intentional or negligent acts or omissions on the part of Service Provider, its officers, directors, agents, representatives, employees, or visitors which may arise out of or could result from this contract.

#### **Article 3: Liability Insurance**

**Section 1:** Service Provider shall maintain liability insurance in the amount of \$300,000 for each occurrence of negligence. The insurance must cover injury to a youth that occurs when the youth is in Service Provider's care, custody or control.

**Section 2:** Service Provider shall provide proof of insurance documents to the TYC Director, Procurement, Contracts and Support Services, upon request.

**Section 3:** The required insurance coverage must be maintained during the term of this contract in the above stated amount. Failure to maintain the required insurance coverage may result in termination of this contract or any other administrative error sanctions.

#### **Article 4: Confidentiality and Security**

**Section 1:** Service Provider agrees that all its employees will comply with state and federal law and with TYC policies regarding the confidentiality of student records and identifying information.

**Section 2:** Service Provider agrees that all information regarding TYC and/or its youth that is gathered, produced, or otherwise derived from this contract shall remain confidential subject to release only by permission of TYC.

**Section 3:** Service Provider's employees who visit any TYC facility will comply with that facility's security regulations.

**Section 4:** Identifying pictures, appearances, films, or reports of TYC youth may not be disclosed by Service Provider without the written consent of the youth and, if under age 18, of his or her parents, guardian, or managing conservator.

## **Article 5: Administrative Error Sanctions**

**Section 1:** TYC, based on information from monitoring or other verifiable sources, may terminate this contract for the reasons set forth in the article dealing with termination below, or take other actions including, but not limited to:

- a. Require the Service Provider to take specific corrective actions in order to remain in compliance with the terms of this contract; and/or
- b. Recoup payment made to Service Provider; and/or
- c. Impose recommendations from audit or investigative findings, and minor or major sanctions; and/or
- d. Assess liquidated damages for each instance of non-compliance with the terms of this contract equal to \$150 multiplied by the average daily population of TYC youth placed with the Service Provider in the preceding month; and/or
- e. Suspend, place into abeyance, or remove any contractual rights including, but not limited to, withholding payment, moratorium on placements, population limitations and/or removal of all youth presently in the program.

**Section 2:** Service Provider shall cooperate fully with TYC and its authorized representative in carrying out corrective action plans.

## **Article 6: Termination**

**Section 1:** Service Provider may terminate its obligations under this contract by giving thirty (30) days notice and assisting in relocating youth in the program to other placements.

**Section 2:** TYC may terminate its obligations under this contract by giving thirty (30) days notice, or immediately in the event youth are removed from the program when conditions exist that threaten the health, safety or welfare of TYC youth in the program, or in the event of breach of contract by Service Provider.

**Section 3:** TYC may terminate its obligations under this contract for failing to complete the corrective action specified and no extenuating circumstances exist; or is non-compliant with any area of the contract; or is below average in any single TYC performance measure; or is below standards in overall performance measure rating.

**Section 4:** TYC shall terminate this contract in the event that TYC is not granted funding to pay for the herein described services or in the event that funding is lost due to either a reduction in the budget or a reallocation of budgeted funds.

## **Article 7: Funding Out Clause**

This contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, legislative budget cuts, amendment of the Appropriations Act, state agency consolidations, or any other disruption of current appropriations, provisions of this Termination Article shall apply. This contract is subject to cancellation, without penalty, either in whole or in part, if funds are not appropriated by the Texas Legislature.

## **Article 8: Waiver**

No waiver by either party of any breach or default of the other under this contract shall operate as a waiver of any future or other breach or default, whether of a like or different character or nature.

## **Article 9: Severability**

If any part of this contract is contrary to any federal, state, or local law, it is not applicable and such invalidity shall not affect the other provisions or applications of this agreement which can be given effect without the invalid provision or application and to that end the provisions of this contract are declared to be severable.

#### **Article 10: Contract Term**

The entire term of this agreement shall be for a period ending August 31, 2010. The contract may be renewed for two (2) additional terms of two (2) years each, provided that both parties agree in writing to do so prior to the expiration date. Any renewals shall be at the same terms and conditions, plus any approved changes. The rates and services may be renegotiated based on performance and required service delivery.

#### **Article 11: Contract Amendment**

No other agreements, oral or written, shall constitute a part of this contract unless such be mutually agreed to, made in writing, executed by the parties hereto or their successors, and expressly made a part thereof.

#### **Article 12: Notice of Changes**

**Section 1:** Service Provider shall notify TYC immediately in writing in advance of any significant change affecting the Service Provider, including but not limited to change of Service Provider's name or identity, location of services, ownership or control, operating entity, governing board membership, key personnel, payee identification number, and other significant changes that may affect the delivery of services under the terms of this contract.

**Section 2:** Service Provider shall refrain from transferring or assigning this contract or from entering into any subcontract for the services under this contract without prior written approval from TYC.

**Section 3:** Service Provider shall not relocate the services provided under this contract from the location stated in the preamble without prior written approval from TYC and a certification that the location to which services are to be relocated is in compliance with Chapter 224, Local Government Code.

#### **Article 13: Notice**

Required notices will be provided to the Contracts Manager at the TYC Central Office at 4900 North Lamar, Post Office Box 4260, Austin, Texas 78765; and to the Service Provider at 901 N. Thompson, Conroe, Texas 77301.

#### **Article 14: Venue**

In any legal action arising under this contract, the laws of the State of Texas shall apply and venue will be in Travis County, Texas.

#### **Article 15: Problem Solving in the Ordinary Course of Business**

**Section 1:** The parties to this contract shall use the procedures contained in this article for routine problem solving including claims for breach of contract. Should these procedures not resolve claims for breach of contract, the procedures contained in Article 15 shall be followed thereafter.

**Section 2: Informal Resolution:** Contract Service Providers and TYC staff will communicate regularly and engage in informal problem solving efforts as a routine measure, thus preventing differences from becoming major problems. When routine measures have been exhausted, TYC staff are encouraged to utilize the following mechanism to resolve problems.

**Section 3: Formal Resolution:**

- a. Contract Service Providers or TYC staff who wish to submit problems for resolution may do so in writing, including all relevant information and a recommended resolution.
- b. The statement of problem will be submitted to the designated contact unless the problem specifically involves the designated contact, in which case, it will be submitted to the designated contact's supervisor.

- c. Problems are resolved within ten working days; written responses will be sent to the individual or program that submitted it, designated contact and designated contact's supervisor.

**Section 4:** Appeal: Service Provider desiring to appeal the decision may do so within ten days by writing all pertinent information relevant to the appeal to the designated contact's supervisor if the problem was resolved by the designated contact; or Contracts Manager if the problem was resolved by the designated contact's supervisor. When appealed, the problem shall be resolved within 14 working days; responses will be sent to the individual or program who submitted it, designated contact, designated contact's supervisor, and Contracts Manager.

#### **Article 15: Claims for Breach of Contract**

**Section 1:** The dispute resolution process provided for in Chapter 2280 of the Texas Government Code must be used, as further described herein, by the Texas Youth Commission and Service Provider to attempt to resolve any claim for breach of contract made by the Service Provider.

- a. Service Provider's claim for breach of this contract that the parties cannot resolve in the ordinary course of business shall be submitted to the negotiation process provided in Chapter 2280, Subchapter B, of the Government Code. To initiate the process, the Service Provider shall submit written notice, as required by Subchapter B, to the Executive Director. Said notice shall specifically state that the provisions of Chapter 2280, Subchapter B, are being invoked. A copy of the notice shall also be given to all other representatives of the Texas Youth Commission and the Service Provider otherwise entitled to notice under the parties' contract. Compliance by the Service Provider with Subchapter B is a condition precedent to the filing of a contested case proceeding under Chapter 2280, Subchapter C, of the Government Code.
- b. The contested case process provided in Chapter 2280, Subchapter C, of the Government Code is the Service Provider's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by the Texas Youth Commission if the parties are unable to resolve their disputes under subparagraph A. of this paragraph.
- c. Compliance with the contested case process provided in subchapter C is a condition precedent to seeking consent to sue from the Legislature under Chapter 107 of the Civil Practices and Remedies Code. Neither the execution of this contract by the Texas Youth Commission nor any other conduct of any representatives of the Texas Youth Commission relating to the contract shall be considered a waiver of sovereign immunity to suit.

**Section 2:** The submission, processing and resolution of the Service Provider's claim is governed by the published rules adopted by the Texas Youth Commission pursuant to Chapter 2280, as currently effective, hereafter enacted or subsequently amended.

**Section 3:** Neither the occurrence of an event nor the pendency of a claim constitute grounds for the suspension of performance by the Service Provider, in whole or in part.

#### **Article 17: No Third Party Beneficiaries**

The terms of the Agreement are for the sole benefit of the parties to the Agreement and will not be construed to confer any rights on any other person.

#### **Article 18: Audit Clause**

Service Provider understands that it and its subcontractors by accepting funds directly or indirectly under this contract are subject to the authority of the State Auditor or its successor entity to conduct audits or investigations pursuant to Chapter 2262 of the Texas Government Code. Service Provider shall include a clause in its subcontracts providing that its subcontractors are subject to the authority of the State Auditor or its successor entity to conduct audits or investigations. Under the direction of the legislative audit committee, a Service Provider that is the subject of an audit or investigation by the State Auditor must provide the State Auditor with access to any information the State Auditor considers relevant to the investigation or audit. Failure to cooperate with the State Auditor may subject Service Provider to criminal penalties.

#### **Article 19: Default**

If the Service Provider defaults on the contract, TYC reserves the right to cancel the contract without notice and either re-solicit or re-award the contract to the next best responsive and responsible respondent. The defaulting Service Provider will not be considered in the re-solicitation and may not be considered in future solicitations for the same type of work, unless the specification or scope of work significantly changed. The period of suspension will be determined by the agency based on the seriousness of the default.

#### **Article 20: Debt Owed to State of Texas**

Service Provider agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

#### **Article 21: Buy Texas**

Contractor represents and warrants that it will buy Texas products and materials for use in providing the services authorized herein when such products and materials are available at a comparable price and in a comparable period of time when compared to non-Texas products and materials.

#### **Article 22: Specifications**

The services performed shall be in accordance with the purchase specifications herein. TYC will determine the answers to all questions that may arise as to the interpretation of the specifications and the quality or acceptability of work performed. TYC will decide the rate of progress of the work and the acceptable fulfillment of the service on the part of the contractor.

For the Texas Youth Commission:

RLK 3.19.10  
Robin McKeever, Director of Administrative Services Date

For the Service Provider:

K. mm, PhD 3.6.10  
signature Date

Approved as to form:

PRM 2-25-10  
TYC Attorney Date

Contract Number: SI1014

STATE OF TEXAS     §  
                                  §  
COUNTY OF TRAVIS   §

**CONTRACT FOR PSYCHOLOGICAL ASSESSMENTS AND EVALUATION SERVICES  
Number SI116**

This contract is effective September 1, 2010 , and is by and between the Texas Youth Commission, hereinafter TYC, and Walter Quijano, 901 N. Thompson, Conroe, Texas 77301, hereinafter Service Provider, for the provision of psychological assessments and evaluation services to TYC youth. This contract, Number SI116, will expire on August 31, 2011.

This contract is entered into under the authority of §61.037, Human Resources Code, for the mutual considerations described in this contract.

**I. SERVICE PROVIDER**

For and in consideration of the payment of fees for psychological evaluations and assessments, Service Provider will:

- A. Maintain a License for Psychological Assessments and Evaluations for the full term of the contract, and any subsequent extensions, as pre-approved by the TYC Department of Integrated Treatment and Support before any services are rendered pursuant to this contract. All Service Providers providing services to TYC youth, after this contract is fully executed, must be properly qualified and credentialed. The Service Provider shall immediately notify TYC of any revocation, suspension or other withdrawal of authority to operate under said documents(s).
- B. Provide assessments to determine eligibility for counseling services.
- C. Develop goals and objectives for counseling services.
- D. Provide written records and reports, interpret assessment results and attend Admission, Review and Dismissal (ARD) meetings in person or by phone for students receiving counseling services.
- E. Communicate verbally, when appropriate, any information regarding the youth.
- F. Notify the Contracts Manager in writing of all revenue sources and reimbursements from third parties for any and all costs or services associated exclusively with a youth served under this contract. Billing more than one revenue source for the same costs or services provided a single youth is prohibited and shall be recouped or administrative error sanctions shall be imposed as set forth herein. Neither a youth nor his/her parents or guardians will be required to pay for the support of the youth in the program, unless otherwise ordered.
- G. Submit claims for payment to the facility where services were performed on an invoice bearing Service Provider's name and address no later than ten (10) days from the last day of the month for which payment is being requested. Invoices must contain names of youth, TYC numbers, the dates and number of hours of service provided to each youth, and a description of the services provided for each youth.
- H. Afford TYC access to TYC youth and all records and/or information regarding TYC youth at all times.
- I. Forward copies of any audits, monitoring, or investigative reports completed on the Service Provider within five (5) work days of receipt.
- J. Allow TYC/designee to perform monitoring, performance evaluations, investigations, or audits.

1. Provide access, inspection, and reproduction to all records related to services rendered under this contract which are necessary to facilitate monitoring, performance evaluations, investigations or audits.
  2. Records include, but are not limited to, contracts, notes, real property documents, accounting/financial records, written policies and procedures, correspondence, performance evaluation data and reports, and any other information pertinent to revenues, costs, expenses, and performance of services provided under this contract belonging to either the Service Provider, its subsidiaries, parent and/or affiliate(s), including subconsultants, subcontractors, employees, and any and all related parties to the contract. Related Party is defined below.
  3. Upon request by TYC and during reasonable business hours, provide facilities to TYC/designee to perform any of the functions listed in this subsection, as well as adequate and appropriate work space and copier.
- K. Maintain all financial records in accordance with generally accepted accounting principles.
- L. Maintain and retain records for a minimum of four (4) years after the termination of the contract period, or for four (4) years after the end of the federal fiscal year in which services were provided, whichever is longer. If any litigation, claims, disputes, or audit involving these records begins before the four (4) years after the period expires, the Service Provider will keep the records and documents until all litigation, claims, disputes, or audit findings are resolved. Resolution is when a final order is issued in litigation, or a written agreement is entered into between TYC and the Service Provider. Contract period means the beginning date through the ending date specified in the original contract or any amendments.
- M. Disclose in writing to the Contracts Manager any transactions with related parties providing goods or services to Service Provider for which Service Provider is reimbursed under the terms of this contract.
1. A related party always includes a family member by blood or marriage, (i.e., spouse, parents, grandparents, child(ren), grandchild(ren), aunt, uncle, niece, nephew, first cousins). In addition a related party is defined as any person or entity involved with Service Provider in any manner that would result in the ability of either party to significantly influence the management or operation of the other. Examples of related parties include, but are not limited to, parent companies, subsidiaries, as well as principal investors, owners, or managers and their relatives as listed above.
  2. Service Provider must report to TYC any transaction with a related party that could result in excessive profits from its relationship with the related party. If excessive profits are found to have occurred, administrative error sanctions may be imposed.
  3. Any violation of this section can be considered a breach and could result in administrative error sanctions or termination.
- N. Cooperate with or testify in judicial proceedings, legislative and administrative hearings or investigations, at the request of TYC.
- O. Service Provider is to notify TYC if Service Provider is or becomes a covered entity under the Health Insurance Portability and Accountability Act (HIPAA). Service Provider is to secure any HIPAA consent or authorization necessary to provide to or obtain from TYC protected health information.

## **II. TYC**

For and in consideration of the services provided to TYC youth in placement by Service Provider, TYC will:

A. Determine which youth are eligible for referral to Service Provider's services and make appropriate referrals.

B. Pay for services rendered by Service Provider at following rates:

- |  |   |
|--|---|
| 1. Cognitive Intellectual Assessments  | <b>\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$400.00 per Assessment;</b>   |
| 2. Evaluation of Learning Abilities  | <b>\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$800.00 per Assessment;</b>   |
| 3. Evaluation of Attention-Deficit/Hyperactivity Disorder                      | <b>\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$450.00 per Assessment</b>    |
| 4. Evaluation of Emotional and Psychological Functioning                       | <b>\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$500.00 per Assessment;</b>   |
| 5. Comprehensive Assessment  | <b>\$200.00 per hour for the first hour, \$100.00 per hour after that, not to exceed \$ 1200.00 per Assessment;</b> |
| 6. Consultation/counseling Progress Reports/Meeting with staff members         | <b>\$200.00 per hour for the first hour; \$100.00 per hour after that; and</b>                                      |
| 7. Report interpretation in writing and At ARD meeting (in person or by phone) | <b>\$200.00 per hour for the first hour, \$100.00. per hour after that.</b>   |

The cumulative payments to Service Provider to be paid under this contract shall not exceed \$20,000.00 dollars.

C. Terms of payment shall be in accordance with Chapter 2251, Texas Government Code and Texas Government Code 403.0551 that payment owing to the contractor under this contract will be applied toward elimination of the contractor's indebtedness to the state, delinquency in payment of taxes to the state, or delinquency in payment of taxes that the Comptroller administers or collects until the indebtedness or delinquency is paid in full.

D. Establish a work schedule convenient to both parties. The work schedule may be altered by either party when necessary, with mutual agreement, and reasonable notice to the other party.

E. Review and approve Service Provider's qualifications.

### **III. CERTIFICATIONS**

#### **Article 1: Equal Opportunity**

Service Provider certifies compliance with all terms, provisions, and requirements of Titles VI and VII, Civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and any other Federal, state, local or other anti-discriminatory act, law, statute or regulation, along with all amendments and revisions of the acts, laws, statutes or regulations, in the performance of this contract, and will not discriminate against any child or youth, client, employee, or applicant for employment because of race, creed or religion, age, sex, color, national or ethnic origin, handicap, or any other illegal discriminatory basis or criteria.

#### **Article 2: Unfair Business Practices**

Service Provider certifies that it or its officers have not been found guilty in a judicial or state administrative agency proceeding of unfair business practices as set out in the Texas Business and Commerce Code and that no officer of Service Provider has served as an officer of another company which has been found guilty in a judicial or state administrative agency proceeding of unfair business practices. If the above certifications are false, this contract is void.

#### **Article 3: Franchise Taxes**

**Section 1:** Service Provider certifies that should Service Provider be subject to payment of Texas franchise taxes, all franchise taxes are current. If such certification is false this contract may be terminated at the option of TYC or other administrative error sanctions may be taken.

**Section 2:** If Service Provider is exempt from payment of Texas franchise taxes, Service Provider shall so indicate by attachment to this contract.

**Section 3:** If Service Provider's payment of Texas franchise taxes becomes delinquent during the term of this contract, Service Provider will notify TYC within 24 hours. If such delinquency cannot be cured within 24 hours and a copy of the Certification of Account Status proving payment of delinquent taxes cannot be provided to TYC, this contract may be terminated at the option of TYC or other administrative error sanctions may be taken under the provisions of the contract.

#### **Article 4: Asbestos Regulation Compliance**

If applicable Service Provider certifies compliance with the Asbestos Hazard Emergency Response Act of 1986 (AHERA) by having on file with the Texas Department of State Health Services (DSHS) a copy of Service Provider's AHERA Management Plan for each facility the Service Provider owns, leases, or otherwise uses as a school or is part of a school, grades kindergarten through 12, inclusive where applicable. Prior to the initiation of services under this contract, Service Provider shall provide to TYC a certification of an asbestos-free environment or a copy of the DSHS acceptance and approval for the Service Provider's AHERA Asbestos Management Plan(s). Service Provider shall comply with the approved Management Plan during the term of this contract and any renewals; failure to do so shall be grounds for termination of the contract. Should DSHS approve a revised or modified Management Plan, a copy of the DSHS acceptance and approval of the revised or modified Management Plan shall be furnished to TYC.

#### **Article 5: Human Immunodeficiency Virus Services Act Compliance**

**Section 1:** Service Provider certifies compliance with the HIV Services Act, [Vernon's Texas Code Annotated (VTCA); Health and Safety Code, Section 85.001, et seq] requirements for maintenance of confidentiality regarding HIV and its related conditions, including Acquired Immunodeficiency Syndrome (AIDS).

**Section 2:** Service Provider further certifies that workplace guidelines are developed and implemented. Service Provider may elect to use workplace guidelines developed and implemented by TYC. Should Service Provider not elect to use workplace guidelines developed and implemented by

TYC, Service Provider agrees its workplace guidelines shall be similar to TYC's as required by §85.113, Texas Health & Safety Code.

**Section 3:** In the absence of confidentiality guidelines, Service Provider is not eligible to receive state funds, and Service Provider agrees to refund to the state any state funds Service Provider receives while ineligible.

#### **Article 6: Communicable Disease Prevention & Control Act Compliance**

Service Provider certifies compliance with the applicable provisions of the Communicable Disease Prevention and Control Act, [Vernon's Texas Code Annotated (VTCA); Health & Safety Code, Section 81.001 et seq.].

#### **Article 7: Federal Confidentiality Compliance**

Any program that specializes, in whole or in part, in providing treatment, counseling, and/or assessment and referral services for youth with alcohol or other drug problems must comply with the Federal confidentiality regulations. Said regulations apply only to programs that are federally assisted either directly or indirectly. Service Provider certifies compliance with these Federal requirements for confidentiality [42 USC Section 290 dd-2; 42 CFR Part 2] and agrees to comply with said requirements for so long as this contract is in force.

#### **Article 8: Restriction on Possession of Weapons**

Service Provider agrees that Service Provider or any associates providing services on behalf of Service Provider, shall not carry or possess any type of firearm or other weapon as defined by Texas Penal Code Section 46.02 while rendering services to TYC youth under this contract. This prohibition includes the carrying of a concealed handgun licensed under the authority of Chapter 411, Subchapter H, Texas Government Code. Service Provider shall be under an affirmative duty to keep weapons out of the possession of TYC youth in Service Provider's care.

#### **Article 9: Required Disclosure of Lobbyist Activity**

Service Provider agrees that if any person who is an employee of, director of, subconsultant, or subcontractor for Service Provider is required to register as a lobbyist under Chapter 305, Texas Government Code at any time during the term of this contract. Service Provider shall notify TYC Director of Contracts, Procurement and Support Services and provide timely copies of all reports filed with the Texas Ethics Commission as required by Chapter 305, Texas Government Code.

#### **Article 10: Notification to TYC of Subconsultants & Subcontractors**

**Section 1:** TYC shall be notified of the selection and/or use of all subcontractors, or subconsultants regularly used by the Service Provider in performing or assessing the performance of Service Provider's duties under this contract if paid or anticipated to be paid an amount exceeding \$5,000.00 during the term of this contract, and they are subject to the approval of TYC; said approval will not be unreasonably withheld.

**Section 2:** No contractual relationship will exist between Service Provider's subconsultants or subcontractors and TYC. TYC shall have no responsibility whatsoever for the conduct, actions, or commissions (active or passive) of any subconsultants or subcontractors in the performance of their duties under this contract.

**Section 3:** Service Provider shall be solely responsible for the management of any subconsultants or subcontractors in the performance of their duties under this contract.

#### **Article 11: Compliance with Child Support, §231.006, Family Code**

\*Under §231.006, Family Code, the vendor or applicant certifies that the individual or business entity named in this contract or bid is not ineligible to receive the specified grant, loan, or payment and

acknowledges that this contract may be terminated and payment may be withheld if his certification is inaccurate."

**SERVICE PROVIDER MUST PROVIDE, IN THE SPACE BELOW, THE NAME AND SOCIAL SECURITY NUMBER OF AN INDIVIDUAL OWNER, A SOLE PROPRIETOR AND ALL PARTNERS, SHAREHOLDERS, OR OWNERS WITH AN OWNERSHIP INTEREST OF AT LEAST TWENTY-FIVE (25) PERCENT OF THE BUSINESS ENTITY ENTERING INTO THIS CONTRACT.**

For nonprofit corporations with no identifiable owner of twenty-five percent (25%) or more of the corporation, indicate with "none" on the first line below.

Walter Quijano, 740-44-2755, 100%

Name, Social Security Number, Percent (%)

**Article 12: Compliance with §572.054, Texas Government Code, Former Officer or Employee of TYC**

Service Provider certifies compliance with §572.054, Texas Government Code. Service Provider has not employed a former officer or employee of TYC to perform services on Service Provider's behalf, to secure this contract or to represent Service Provider in any manner prohibited by the referenced statute. A false certification could result in termination of this contract.

**Article 13: Compliance with §2252.901, Texas Government Code, Former or Retired Employee of the Agency**

Service Provider certifies compliance with §2252.901, Texas Government Code, which provides "A state agency may not enter into an employment contract, a professional services contract under chapter 2254, or a consulting services contract under Chapter 2254 with a former or retired employee of the agency before the first anniversary of the last date on which the individual was employed by the agency, if appropriated money will be used to make payments under the contract. This section does not prohibit an agency from entering into a professional services contract with a corporation, firm, or other business entity that employs a former or retired employee of the agency within one year of the employee's leaving the agency, provided the former or retired employee does not perform services on projects for the corporation, firm or other business entity that the employee worked on while employed by the agency." Service provider certifies that he/she is not prohibited from entering into this contract because of any prior employment with TYC.

**Article 14: Specially Designated Nationals and Blocked Persons List**

Service Provider certifies that it is not on the list of Specially Designated Nationals and Blocked Persons maintained by the Office of Foreign Assets Control.

Texas Youth Commission is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing service providers/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

Service Provider certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Service Provider is in compliance with the State of Texas statutes and rules relating to procurement and that Service Provider is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>

## **Article 15 Terrorism**

The Texas Youth Commission is federally mandated to adhere to the directions provided in the President's Executive Order (EO) 13224, Executive Order on Terrorist Financing – Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism, effective 9/24/2001 and any subsequent changes made to it via cross-referencing service providers/vendors with the Federal General Services Administration's Excluded Parties List System (EPLS, <http://www.epls.gov>), which is inclusive of the United States Treasury's Office of Foreign Assets Control (OFAC) Specially Designated National (SDN) list.

## **Article 16: Fingerprint and Background Check:**

Service Provider will:

1. As directed, provide information regarding persons providing services under this Agreement and personnel access for a criminal background check including, but not limited to, fingerprinting check, criminal records check, sex offender registration records check, and drug test. Criminal background checks shall be conducted at TYC's expense and through TYC or TYC's contract providers for each of the Service Provider's employees, agents, consultants, subcontractors, subcontractor's employees, and volunteer workers. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who is unwilling to provide or who does not provide required information will not be allowed to work under this agreement. Any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall not work under this agreement until the criminal background check is completed and approval is obtained from TYC's Director of Human Resources.
2. Notify TYC's Director of Human Resources of any employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker who works with TYC youth and who is arrested, indicted, or charged with a criminal offense or who resigns while under investigation for inappropriate conduct or policy violations. Such employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker shall be immediately suspended from working under this agreement unless authorized by TYC's Director of Human Resources.

TYC will approve any Service Provider employee, agent, consultant, subcontractor, subcontractor's employee, or volunteer worker in accordance with TYC policies and procedures. TYC's designated contact for criminal background checks is the Director of Human Resources (512) 459-2501.

## **Article 17: Convictions for Hurricane Katrina or Rita**

Under Section 2155.006, Government Code, the vendor certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate.

Under Section 2155.006(b) of the Texas Government Code, a state agency may not accept a bid or award a contract, including a contract for which purchasing authority is delegated to a state agency, that includes proposed financial participation by a person who, during the five-year period preceding the date of the bid or award, has been: (1) convicted of violating a federal law in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005; or (2) assessed a penalty in a federal civil or administrative enforcement action in connection with a contract awarded by the federal government for relief, recovery, or reconstruction efforts as a result of Hurricane Rita, as defined by Section 39.459, Utilities Code, Hurricane Katrina, or any other disaster occurring after September 24, 2005. Under Section 2155.006 of the Texas Government Code, a bidder certifies that the individual or business entity named in a bid is not ineligible to receive the specified

contract and acknowledges that any contract resulting from any IFB may be terminated and payment withheld if this certification is inaccurate.

#### **Article 18: Antitrust**

Service Provider represents and warrants that neither Service Provider nor any firm, corporation, partnership, or institution represented by Service Provider, or anyone acting for such firm, corporation or institution has, (1) violated the antitrust laws of the State of Texas under Tex. Bus. & Com. Code, Chapter 15, or the federal antitrust laws; or (2) communicated directly or indirectly the Proposal to any competitor or any other person engaged in such line of business during the procurement process for this Contract.

#### **Article 19: Intellectual Property Indemnification**

To the extent of the Texas Constitution the Service Provider will indemnify, defend and hold harmless the State of Texas and Texas Youth Commission against any action or claim brought against the State of Texas and/or Texas Youth Commission that is based on a claim that software infringes any patent rights, copyright rights or incorporated misappropriated trade secrets. Service Provider will pay any damages attributable to such claim that are awarded against the State of Texas and/or Texas Youth Commission in a judgment or settlement.

If Texas Youth Commission's use of the software becomes subject to a claim, or is likely to become subject to a claim, in the sole opinion of Texas Youth Commission Service Provider shall, at its sole expense (1) procure for Texas Youth Commission the right to continue using such software under the terms of this Contract; or (2) replace or modify the software so that it is non-infringing.

#### **Article 20: Contracting with Executive Head of State Agency**

Under Government Code §669.003, relating to contracting with an executive of a state agency, Service Provider represents that no person who, in the past four years, served as an executive of the Texas Comptroller of Public Accounts Texas Youth Commission or any other state agency, was involved with or has any interest in this Proposal or any contract resulting from any RFP. If Service Provider employs or has used the services of a former executive head of Texas Youth Commission or other state agency, then Service Provider shall provide the following information: Name of former executive, name of state agency, date of separation from state agency, position with Service Provider, and date of employment with Service Provider.

#### **Article 21: Abandonment or Default**

If the Service Provider defaults on the contract, Texas Youth Commission reserves the right to cancel the contract without notice and either re-solicit or re-award the contract to the next best responsive and responsible service provider. The defaulting Service Provider will not be considered in the re-solicitation and may not be considered in future solicitations for the same type of work, unless the specification or scope of work significantly changed. The period of suspension will be determined by the agency based on the seriousness of the default.

In accordance with §2281.101, Government Code Remedies and Sanctions – agencies shall incorporate language which shall hold Service Provider accountable for breach of contract or substandard performance without unfairly limiting competition.

#### **Article 22: Certain Bids and Contracts Prohibited**

Under Government Code § 2155.004, no person who prepared these specifications has any financial interest in Service Provider's Proposal. If Service Provider is not eligible, then any contract shall be immediately terminated. Furthermore, "under Section 2155.004, Government Code, the vendor [Service Provider] certifies that the individual or business entity named in this bid or contract is not ineligible to receive the specified contract and acknowledges that this contract may be terminated and payment withheld if this certification is inaccurate."

#### **Article 23: Gifts and Gratuity**

By executing this agreement, the undersigned signatory certifies that he/she has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted response. Failure to sign the agreement or signing it with a false statement shall void the agreement.

#### **Article 24: Debarment**

Service Provider certifies that the responding entity and its principals are eligible to participate in this transaction and have not been subjected to suspension, debarment, or similar ineligibility determined by any federal, state or local governmental entity and that Service Provider is in compliance with the State of Texas statutes and rules relating to procurement and that Service Provider is not listed on the federal government's terrorism watch list as described in Executive Order 13224. Entities ineligible for federal procurement are listed at <http://www.epls.gov>.

#### **Article 25: By signature hereon, the provider certifies that:**

All statements and information prepared and submitted in the response to this contract are current, complete and accurate.

He/she has not given, offered to give, nor intends to give at anytime hereafter, any economic opportunity, future employment, gift, loan gratuity, special discount, trip, favor, or service to a public servant in connection with the submitted contract.

Failure to sign the Execution of contract or signing it with a false statement shall void the submitted offer or any resulting contracts.

Neither provider nor the firm, corporation, partnership, or institution represented by provider or anyone acting for such firm, corporation, or institution has (1) violated the antitrust laws of the State of Texas under Texas Business & Commerce Code, Chapter 15, or the federal antitrust laws; or (2) communicated the contents of this contract either directly or indirectly to any competitor or any other person engaged in the same line of business during the procurement process for this contract.

When a Texas business address shown hereon that address is, in fact, the legal business address of Service Provider and Service Provider qualifies as a Texas Resident Bidder under Title 34, Sec. 20.32(68).

### **IV. GENERAL PROVISIONS**

#### **Article 1: Relationship of Parties**

The Service Provider is acting as an independent contractor and is wholly responsible for the day-to-day operations of its programs and employees; no joint venture, partnership, or agency exists nor shall be implied by the terms of this contract. No employee of Service Provider shall become an employee of TYC by virtue of this contract.

#### **Article 2: Indemnity**

Service Provider agrees to be liable for, and hereby does indemnify and hold harmless TYC and its officers, directors, agents, employees and representatives from and against any and all liability for any and all claims, suits, demands, causes of action, and/or damages, (including costs of court and reasonable attorneys' fees) arising from or based upon misconduct, intentional or negligent acts or omissions on the part of Service Provider, its officers, directors, agents, representatives, employees, or visitors which may arise out of or could result from this contract.

### **Article 3: Liability Insurance**

- Section 1:** Service Provider shall maintain liability insurance in the amount of \$300,000 for each occurrence of negligence. The insurance must cover injury to a youth that occurs when the youth is in Service Provider's care, custody or control.
- Section 2:** Service Provider shall provide proof of insurance documents to the TYC Director of Contracts, Procurement and Support Services, upon request.
- Section 3:** The required insurance coverage must be maintained during the term of this contract and any subsequent extensions in the above stated amount. Failure to maintain the required insurance coverage may result in termination of this contract or any other administrative error sanctions.

### **Article 4: Confidentiality and Security**

- Section 1:** Service Provider agrees that all its employees will comply with state and federal law and with TYC policies regarding the confidentiality of student records and identifying information.
- Section 2:** Service Provider agrees that all information regarding TYC and/or its youth that is gathered, produced, or otherwise derived from this contract shall remain confidential subject to release only by permission of TYC.
- Section 3:** Service Provider's employees who visit any TYC facility will comply with that facility's security regulations.
- Section 4:** Identifying pictures, appearances, films, or reports of TYC youth may not be disclosed by Service Provider without the written consent of the youth and, if under age 18, of his or her parents, guardian, or managing conservator.

### **Article 5: Administrative Error Sanctions**

- Section 1:** TYC, based on information from monitoring or other verifiable sources, may terminate this contract for the reasons set forth in the article dealing with termination below, or take other actions including, but not limited to:
- a. Require the Service Provider to take specific corrective actions in order to remain in compliance with the terms of this contract; and/or
  - b. Recoup payment made to Service Provider; and/or
  - c. Impose recommendations from audit or investigative findings, and minor or major sanctions; and/or
  - d. Assess liquidated damages for each instance of non-compliance with the terms of this contract equal to \$150 multiplied by the average daily population of TYC youth placed with the Service Provider in the preceding month; and/or
  - e. Suspend, place into abeyance, or remove any contractual rights including, but not limited to, withholding payment, moratorium on placements, population limitations and/or removal of all youth presently in the program.
- Section 2:** Service Provider shall cooperate fully with TYC and its authorized representative in carrying out corrective action plans.

### **Article 6: Termination**

- Section 1:** Service Provider may terminate, for convenience, its obligations under this contract by giving thirty (30) days notice.
- Section 2:** TYC may terminate, for convenience, its obligations under this contract by giving thirty (30) days notice, or immediately in the event of breach of contract by Service Provider.
- Section 3:** TYC shall terminate this contract in the event that TYC is not granted funding to pay for the herein described services or in the event that funding is lost due to either a reduction in the budget or a reallocation of budgeted funds.

#### **Article 7: Funding Out Clause**

**This contract is contingent upon the continued availability of funding. If funds become unavailable through lack of appropriations, legislative budget cuts, amendment of the Appropriations Act, state agency consolidations, or any other disruption of current appropriations, provisions of this Termination Article shall apply. This contract is subject to cancellation, without penalty, either in whole or in part, if funds are not appropriated by the Texas Legislature.**

#### **Article 8: Waiver**

**No waiver by either party of any breach or default of the other under this contract shall operate as a waiver of any future or other breach or default, whether of a like or different character or nature.**

#### **Article 9: Severability**

**If any part of this contract is contrary to any federal, state, or local law, it is not applicable and such invalidity shall not affect the other provisions or applications of this agreement which can be given effect without the invalid provision or application and to that end the provisions of this contract are declared to be severable.**

#### **Article 10: Contract Amendment**

**No other agreements, oral or written, shall constitute a part of this contract unless such be mutually agreed to, made in writing, executed by the parties hereto or their successors, and expressly made a part thereof.**

#### **Article 11: Notice of Changes**

**Section 1: Service Provider shall notify TYC immediately in writing in advance of any significant change affecting the Service Provider, including but not limited to change of Service Provider's name or identity, location of services, ownership or control, operating entity, governing board membership, key personnel, payee identification number, and other significant changes that may affect the delivery of services under the terms of this contract.**

**Section 2: Service Provider shall refrain from transferring or assigning this contract or from entering into any subcontract for the services under this contract without prior written approval from TYC.**

**Section 3: Service Provider shall not relocate the services provided under this contract from the location stated in the preamble without prior written approval from TYC and a certification that the location to which services are to be relocated is in compliance with Chapter 224, Local Government Code.**

#### **Article 12: Notice**

**Required notices will be provided to the Director of Contracts, Procurement and Support Services at the TYC Central Office at 4800 North Lamar, Post Office Box 4260, Austin, Texas 78765; to the TYC District Office/HWH/Institution at Crockett State School, 1701 SW Loop 304, Crockett, TX 75835; Corsicana Residential Treatment Center, 4000 W. 2<sup>nd</sup> Avenue, Corsicana, TX 75110; or Al Price State School 3690 FM 3514, Beaumont, TX 77705 and to the Service Provider at 801 N. Thompson, Conroe, Texas 77301.**

#### **Article 13: Venue**

**In any legal action arising under this contract, the laws of the State of Texas shall apply and venue will be in Travis County, Texas.**

#### **Article 14: Problem Solving in the Ordinary Course of Business**

**Section 1:** The parties to this contract shall use the procedures contained in this article for routine problem solving including claims for breach of contract. Should these procedures not resolve claims for breach of contract, the procedures contained in Article 15 shall be followed thereafter.

**Section 2: Informal Resolution:** Contract Service Providers and TYC staff will communicate regularly and engage in informal problem solving efforts as a routine measure, thus preventing differences from becoming major problems. When routine measures have been exhausted, TYC staff are encouraged to utilize the following mechanism to resolve problems.

**Section 3: Formal Resolution:**

- a. Contract Service Providers or TYC staff who wish to submit problems for resolution may do so in writing, including all relevant information and a recommended resolution.
- b. The statement of problem will be submitted to the designated contact unless the problem specifically involves the designated contact, in which case, it will be submitted to the designated contact's supervisor.
- c. Problems are resolved within ten working days; written responses will be sent to the individual or program that submitted it, designated contact and designated contact's supervisor.

**Section 4: Appeal:** Service Provider desiring to appeal the decision may do so within ten days by writing all pertinent information relevant to the appeal to the designated contact's supervisor if the problem was resolved by the designated contact; or Director of Contracts, Procurement and Support Services if the problem was resolved by the designated contact's supervisor. When appealed, the problem shall be resolved within 14 working days; responses will be sent to the individual or program who submitted it; designated contact; designated contact's supervisor; and Director of Contracts, Procurement and Support Services.

#### **Article 15: Claims for Breach of Contract**

**Section 1:** The dispute resolution process provided for in Chapter 2260 of the Texas Government Code must be used, as further described herein, by the Texas Youth Commission and Service Provider to attempt to resolve any claim for breach of contract made by the Service Provider.

- a. Service Provider's claim for breach of this contract that the parties cannot resolve in the ordinary course of business shall be submitted to the negotiation process provided in Chapter 2260, Subchapter B, of the Government Code. To initiate the process, the Service Provider shall submit written notice, as required by Subchapter B, to the Executive Director. Said notice shall specifically state that the provisions of Chapter 2260, Subchapter B, are being invoked. A copy of the notice shall also be given to all other representatives of the Texas Youth Commission and the Service Provider otherwise entitled to notice under the parties' contract. Compliance by the Service Provider with Subchapter B is a condition precedent to the filing of a contested case proceeding under Chapter 2260, Subchapter C, of the Government Code.
- b. The contested case process provided in Chapter 2260, Subchapter C, of the Government Code is the Service Provider's sole and exclusive process for seeking a remedy for any and all alleged breaches of contract by the Texas Youth Commission if the parties are unable to resolve their disputes under subparagraph A. of this paragraph.
- c. Compliance with the contested case process provided in subchapter C is a condition precedent to seeking consent to sue from the Legislature under Chapter 107 of the Civil Practices and Remedies Code. Neither the execution of this contract by the Texas Youth Commission nor any other conduct of any representative of the Texas Youth Commission relating to the contract shall be considered a waiver of sovereign immunity to suit.

**Section 2:** The submission, processing and resolution of the Service Provider's claim is governed by the published rules adopted by the Texas Youth Commission pursuant to Chapter 2260, as currently effective, hereafter enacted or subsequently amended.

**Section 3:** Neither the occurrence of an event nor the pendency of a claim constitute grounds for the suspension of performance by the Service Provider, in whole or in part.

#### **Article 16: No Third Party Beneficiaries**

The terms of the Agreement are for the sole benefit of the parties to the Agreement and will not be construed to confer any rights on any other person.

#### **17: Audit Clause**

Service Provider understands that acceptance of funds under this contract acts as acceptance of the authority of the State Auditor's Office, TYC or any successor agency, to conduct an audit or investigation in connection with those funds. Service Provider further agrees to cooperate fully with the above parties in the conduct of the audit or investigation, including providing all records requested.

Service Provider shall ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through the Service Provider and the requirement to cooperate is included in any subcontract it awards.

Service Provider shall maintain and retain supporting fiscal documents adequate to ensure that claims for contract funds are in accordance with TYC and State of Texas requirements. Service Provider shall maintain all such documents and other records relating to this Agreement and the State's property for a period of four (4) years after the date of submission of the final invoices or until a resolution of all billing questions, whichever is later. Service Provider shall make available at reasonable times and upon reasonable notice, and for reasonable periods, all information related to the State's property, such as work papers, reports, books, data, files, software, records, and other supporting documents pertaining to this Agreement, for purposes of inspecting, monitoring, auditing, or evaluating by TYC, the State of Texas or their authorized representatives. Service Provider shall cooperate with auditors and other authorized TYC and State of Texas representatives and shall provide them with prompt access to all of such State's property as requested by TYC or the State of Texas. By example and not as an exclusion to other breaches or failures, Service Provider's failure to comply with this Section shall constitute a material breach of this Agreement and shall authorize TYC to immediately assess the liquidated damages for such failure. For purposes of this Section, the "State's property" includes, but is not limited to, "Work" as defined in an RFP. TYC may require, at Service Provider's sole cost and expense, independent audits by a qualified certified public accounting firm of Service Provider's books and records or the State's property. The independent auditor shall provide TYC with a copy of such audit at the same time it is provided to Service Provider. TYC retains the right to issue a request for proposals for the services of an independent certified public accounting firm under this Agreement. In addition to and without limitation on the other audit provisions of this Agreement, pursuant to Section 2262.003, Tex Government Code, the State Auditor may conduct an audit or investigation of the Service Provider or any other entity or person receiving funds from the state directly under this Agreement or indirectly through a subcontract under this Agreement. The acceptance of funds by the Service Provider or any other entity or person directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the State Auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. This Agreement may be amended unilaterally by TYC to comply with any rules and procedures of the State Auditor in the implementation and enforcement of Section 2262.003. Under procedures provided by the State Auditor on September 5, 2003, in addition to the above, (1) the Service Provider understands that the acceptance of funds under this Agreement acts as acceptance of the authority of the State Auditor to conduct an audit or investigation in connection with those funds; (2) the Service Provider further agrees to cooperate fully with the State Auditor in the conduct of the audit or investigation, including providing all records requested; and (3) the Service Provider shall ensure that this paragraph concerning the authority to audit funds received indirectly by subcontractors through the Service Provider and the requirement to cooperate is included in any subcontract it awards.

#### **Article 18: Default**

If the Service Provider defaults on the contract, TYC reserves the right to cancel the contract without notice and either re-solicit or re-award the contract to the next best responsive and responsible service

provider. The defaulting Service Provider will not be considered in the re-solicitation and may not be considered in future solicitations for the same type of work, unless the specification or scope of work significantly changed. The period of suspension will be determined by the agency based on the seriousness of the default.

#### **Article 19: Debt Owed to State of Texas**

Service Provider agrees that any payments due under this contract will be applied towards any debt, including but not limited to delinquent taxes and child support that is owed to the State of Texas.

#### **Article 20: Buy Texas**

Service Provider represents and warrants that it will buy Texas products and materials for use in providing the services authorized herein when such products and materials are available at a comparable price and in a comparable period of time when compared to non-Texas products and materials.

#### **Article 21: Specifications**

The services performed shall be in accordance with the purchase specifications herein. TYC will determine the answers to all questions that may arise as to the interpretation of the specifications and the quality or acceptability of work performed. TYC will decide the rate of progress of the work and the acceptable fulfillment of the service on the part of the Service Provider.

#### **Article 22: Assignment**

Without the prior written consent of TYC, the Service Provider may not assign this Contract, in whole or in part, and may not assign any right or duty required under it.

#### **Article 23: Compliance with Other Laws**

In the execution of this Contract, Service Provider shall comply with all applicable federal, state and local laws, including laws governing labor, equal employment opportunity, safety and environmental protection. Service Provider shall make itself familiar with and at all times shall observe and comply with all federal, state and local laws, ordinances and regulations which in any manner affect performance under this Contract.

#### **Article 24: Execution Authority**

Service Provider represents and warrants that the individual signing this contract is authorized to sign this document on behalf of the Service Provider and to bind the Service Provider under this contract.

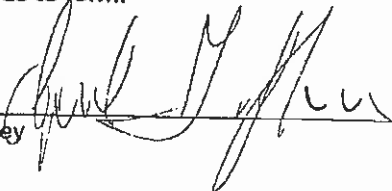
For the Texas Youth Commission:

  
\_\_\_\_\_  
Robin McKeever, Deputy Executive Director  
8.3.10  
Date

For the Service Provider:

  
\_\_\_\_\_  
signature  
7.28.10  
Date

Approved as to form:

  
\_\_\_\_\_  
TYC Attorney  
7/26/10  
Date

Contract Number: S1116

STATE OF TEXAS §  
COUNTY OF TRAVIS §

**AMENDMENT #1 TO CONTRACT NUMBER 9H116**

The Texas Youth Commission, an agency of the State of Texas, hereinafter referred to as "TYC," and Walter Quijano, 801 N. Thompson, Conroe, TX 77301, hereinafter referred to as Service Provider, do hereby acknowledge that they have previously entered into a contract for the provision of psychological assessments and evaluations for the period September 1, 2010 through August 31, 2011.

Both parties wish to continue the relationship that exists without a lapse in services. Service Provider agrees to continue to provide services under the aforementioned existing contract and TYC agrees to continue to use Service Provider's services during the term of this contract. The parties hereto agree to be bound by the terms of the existing contract subject to the following changes:

The Contract is being amended to extend for the period September 1, 2011 through August 31, 2012. The Not to Exceed amount for the term of this amendment is \$20,000.00. This contract is also amended to remove Crockett State School and Al Price State School from IV. General Provisions, Article 12 Notice.

Effective December 1, 2011, the powers and duties of the Texas Youth Commission will transfer to the Texas Juvenile Justice Department in accordance with Title 12 of the Human Resources Code. Thereafter, the rights and obligations of this Agreement shall bind and benefit the Texas Juvenile Justice Department.

This contract is amended to add a Contract Term clause under Section IV, General Provisions:

The contract will not be automatically renewed. The contract may be renewed for two (2) additional terms of two (2) years each, provided that both parties agree in writing to do so prior to the expiration date. Any renewals shall be at the same terms and conditions, plus any approved changes. The rates and services may be renegotiated based on performance and required service delivery.

For the Texas Youth Commission:

  
Robin McKeever, Deputy Executive Director


9.2.11  
Date

For the Service Provider

  
Signature

9.1.11  
Date

Approved as to form:

  
TYC Attorney

8/29/11  
Date