

**Texas Department of Criminal Justice
Offer Cover Page**

This form requests basic information about the offeror and project and must be completed in its entirety, including the signature of the authorized representative.

SOLICITATION INFORMATION	
Texas Government Code, §2157, Purchase of Automated Information Systems	
1) Solicitation Number: 696-BF-25-O004	2) Issue Date: December 20, 2024
3) Deadline: January 24, 2025	
4) Contract Specialists: <small>(reference Section G.2.2)</small>	Tatyana Lockhart (936) 437-3806 tatyana.lockhart@tdcj.texas.gov Janice Wooley (936) 437-3842 janice.wooley@tdcj.texas.gov
5) Type of Solicitation:	RFO-Request for Offer
6) Solicitation Description	The TDCJ is seeking offers for the replacement of four core applications: Inmate Banking, Warehouse Management, Point of Sale Application, and Parole Fee Management.
OFFER SUBMITTAL	
7) Receiving Office:	TDCJ Contracts & Procurement, Contract Administration Branch 2 Financial Plaza, Suite 703, Huntsville, TX 77340
<small>*All packages must be labeled with the solicitation number and Contract Specialists' names. Reference Section L.7 for complete submittal instructions.</small>	
OFFEROR INFORMATION	
8) Legal Business Name:	
9) Mailing Address Information (include mailing address, street, city, county, state and 9-digit zip code):	
10) Payee Name and Mailing Address, including 9-digit zip code (if different from above) <small>(remittance address if not electing Direct Deposit):</small>	
11) Federal Tax ID No. (9-digit), State of Texas Comptroller Vendor ID Number (14-digit) or Social Security Number (9-digit):	
12) Type of Entity (check all that apply): <div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> HUB Certified Type: ____ M/F ____</div><div><input type="checkbox"/> Corporation (incorporated under the laws of the State of ____)</div></div> <div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> Partnership</div><div><input type="checkbox"/> Individual</div><div><input type="checkbox"/> Non-Profit Organization*</div><div><input type="checkbox"/> Joint Venture</div></div> <div style="border-top: 1px dashed black; padding-top: 5px;"><small>*If incorporated, provide 10-digit charter number assigned by Secretary of State:</small> If a Foreign Entity: <div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> Individual</div><div><input type="checkbox"/> Partnership</div><div><input type="checkbox"/> Joint Venture</div></div><div style="display: flex; justify-content: space-between;"><div><input type="checkbox"/> Non-Profit Organization</div><div><input type="checkbox"/> Corporation (registered for business in ____) (country)</div></div></div>	
13) Prompt Payment Discount: ____ % ____ Days or Net 30 (reference Section G.3 for additional information)	
14) Amendments: Signed and submitted by the Offeror with Offer or via email prior to the deadline.	
OFFEROR AUTHORITY AND SIGNATURE	
15) Offeror Point of Contact	Name: _____ Title: _____
Email address: _____ Telephone #: _____	
16) Offeror Authorized Signature:	

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SUMMARY OF KEY DATES

December 20, 2024		Post to the ESBD
January 7, 2025	10:00 a.m.	Pre-Offer Conference
January 10, 2024	12:00 p.m.	Deadline for Written Questions for Clarification to the Agency.
January 15, 2025		Deadline to Provide Responses to Clarification Questions.
January 24, 2025	3:00 p.m.	Deadline for the Agency Receipt of Offers in Huntsville. Late Offers will not be accepted.
May 1, 2025		Service Commencement Date

SECTION A – CONTRACT DEFINITIONS

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

Agency means the Texas Department of Criminal Justice (TDCJ).

Agency Policy/Policies means all written policies, procedures, standards, guidelines, directives, and manuals of the TBCJ and the Agency, applicable to providing the Services specified under the Contract.

ANSI means American National Standards Institute. The American National Standard for Information Applications is a contribution of National Institute of Standards and Technology. This references ANSI/NISTITL 1.2007 data format for the interchange of fingerprint, facial, and other biometric information.

Artificial Intelligence (AI) means systems capable of perceiving an environment through data acquisition and processing and interpreting the derived information to take an action or actions or to imitate intelligent behavior given a specific goal; and learning and adapting behavior by analyzing how the environment is affected by prior actions.

Authorized Representative means the person designated in writing to act for and on behalf of a party to the Contract.

Batch File means a script file that stores commands to be executed in a serial order.

Biometric Identifier means a person's unique physical and other traits detected and recorded by an electronic device or system as a means of confirming identity, such as a retina or iris scan, fingerprint, voiceprint, or record of hand or face geometry.

Bug means an error, flaw, failure, or fault in a computer program or application that causes it to produce an incorrect or unexpected result, or to behave in unintended ways.

Change Log means a document that lists all the programming or design changes agreed to by the Agency and the Contractor showing action steps taken and the outcome of implementations into the application.

CJI Data means the data necessary for law enforcement to perform their missions including, but not limited to, biometric, identity history, biographic, property and case/incident history data, and any other data identified as Criminal Justice Information (CJI) under the Code of Criminal Procedure, Title 1, Chapter 66, and/or the Federal Bureau of Investigation Criminal Justice Information Services Security Policy (currently available at www.fbi.gov).

Compliance Standards means Contract requirements that have specific and clearly defined recoupment strategies to ensure that the Agency does not pay for Services that are not received.

Confidential Information means the data that must be protected from unauthorized disclosure or public release under the provisions of the Texas Public Information Act (also known as the Texas Open Records Act), judicial rulings, or contractual agreements. Such data may include but is not limited to, social security numbers, taxpayer identification

numbers, employer identification numbers, credit card numbers, personal identifying information (PII), sensitive personal information (SPI), and personal medical information.

Configuration Management (CM) means an application engineering process for establishing and maintaining consistency of a product's performance, functional and physical attributes with its requirements, design, and operational information throughout its life.

Contract Specialist means the Agency employee responsible for non-technical administration of the Contract.

Contract Term means the duration of the Contract as specified in Section F.1.

Contractor means the individual, partnership, or corporation who performs Services under the Contract.

Court Orders means any orders or judgments issued by a court of competent jurisdiction and any stipulations, agreements, conditions of Community Supervision, or plans entered in connection with litigation that are applicable to the operation, management, and maintenance of the Program and relate to the custodial care of Inmates. For purposes of the Contract, this term includes such orders, judgments, stipulations, agreements, or plans applicable to the Agency.

Criminal Justice Information Services (CJIS) means the compliance standards for law enforcement at the local, state, and federal levels, and is designed to ensure data security in law enforcement.

Data Dictionary means a set of information describing the contents, format, and structure of a database and the relationship between its components.

Data Matrix means a two-dimensional barcode symbol that can be scaled from .001 inch per side to 14 inches per side.

Day(s) means calendar Day(s).

Distribution Center means a warehouse or other specialized buildings which are stocked with products (goods) to be redistributed to retailers, wholesalers, or directly to consumers. In this document, Commissary Warehouses are referred to as Distribution Centers.

eCommerce Application means the Agency's web-based B2C application using industry standard protocols for online merchandise purchases or deposits.

Escheat means the transfer of a person's unclaimed funds to the government.

Event of Default means any of the events or circumstances described in Section I.2.

Fiscal Year (FY) means any of the one-year periods beginning September 1st and ending August 31st, which periods are used for annual budgetary purposes by the State of Texas.

Flat File means a file containing data that has no structured interrelationship. The term is frequently used to describe a text document from which all word processing or other structure characters or markups have been removed.

Gap Analysis means a method of assessing the differences in performances between a business' information systems or software applications to determine whether business requirements are being met and if not, what steps shall be taken to ensure they are met successfully.

Go-Live means the date at which something becomes available for use.

Infrastructure as a Service (IAAS) means a cloud computing model where a provider delivers hardware and networking components on demand, allowing users access on a recurring payment basis.

Inmate means a person under supervision or custody of the Agency.

Inmate Banking and Inventory Management System (IBIMS) means the proposed integrated system providing the MBA, WM, POS, and PFM/PSP functionalities.

Inmate Information Management System (OIMS) means an information system used by the Agency to store an electronic parole file that is maintained until the Inmate discharges TDCJ supervision.

Inmate Tablet Program means the program that provides Inmate tablets which allows eligible Inmate's access to secure tablets that are able to deliver educational, vocational, religious, and legal materials along with numerous other programs.

Information Technology means the application of computers and telecommunications equipment to store, retrieve, transmit, and manipulate data,

Information Technology Industry Voluntary Product Accessibility Template (ITI VPAT) means the reporting format for assisting buyers and sellers in identifying information and communications technology products and services with accessibility features. Information on this can be found here: <https://www.itic.org/policy/accessibility/vpat>

Key Performance Indicators means a measurable target that indicates how individuals or businesses are performing in terms of meeting their goals.

Legacy Programs means the pre-existing Agency programs to be replaced by the IBIMS.

Master Merchandise Maintenance means the practice of maintaining an accurate file that includes strategic planning, management, and control of a retailer or the company's product range.

Material Failure means the failure of a party to fulfill one or more obligations essential to achieving the purpose of the Contract.

Micro Focus means the Agency Mainframe emulation application hosted in the cloud.

Mixed File Types means the files to include SQL tables, VSAM, Flat Files, and Batch Files.

NIST means National Institute of Standards and Technology, the federal technology agency that works with the industry to develop and apply technology, measurements, and standards.

Non-Appropriation means failure by the Texas Legislature, as part of its budgetary process, to appropriate money.

NSTC means the National Science and Technology Council, a cabinet-level council within the executive branch to coordinate science and technology policy across the diverse entities that make up the federal research and development enterprise.

OCISO means the Office of the Chief Information Security Officer of the TDCJ.

Offeror means an individual or entity that submits an offer, including anyone acting on behalf of the individual or entity that submits an offer, such as an agent, employee, and representative.

Patch means a piece of application designed to update a computer program or its supporting data, to fix or improve it.

Payment(s) means the amount(s) agreed to be paid by the Agency to the Contractor for Services provided under the Contract.

Payment Service Provider (PSP) means the service which facilitates electronic payment transactions between the Agency and Vendors.

Post Secondary Education Reimbursement (PSER) means reimbursement by incarcerated individuals who enroll in post-secondary education courses at the expense of the State of Texas, who shall reimburse the state for the costs per statutory mandated condition imposed by the Texas Board of Pardons and Paroles (BPP).

Production Environment means the server where the software will be moved to after the accuracy and functionality of the system meets the Agency's requirements.

Project Plan means a formal approved document used to guide both project execution and project control.

Project Management Tool means software that helps management and teams plan, organize, and manage their projects.

Quarter(ly) means the period that relates to the Agency's Fiscal Year, with quarters beginning September 1st, December 1st, March 1st, and June 1st.

Real-Time means a type of computer programming or data processing in which the computer processes the information received almost instantly.

Restitution means money that is court ordered by the sentencing judge to compensate a victim for losses incurred as a result of a crime. This can be paid by a parolee or from an Inmate's Trust Fund Account.

Software as a Service (SaaS) means a model where a provider delivers software applications over the internet, allowing users access via a subscription basis.

Service Commencement Date means the date on which the Contractor shall begin providing Services pursuant to the Contract.

Service(s) means delivery of requirements in accordance with the terms and conditions of the Contract.

SFTP means Secure File Transfer Protocol, a standard network protocol used to transfer files from one host to another host over a transmission control protocol (TCP) – based network, such as the Internet.

System Development Life Cycle (SDLC) means the overall process used in systems engineering, information systems, and software engineering of developing, implementing, testing, and deploying an information system.

TBCJ means the Texas Board of Criminal Justice.

TDCJ-BFD means the Business and Finance Division of the TDCJ.

TDCJ-CTF means the Commissary and Trust Fund Department, a department of the Business and Finance Division of the TDCJ.

Trust Fund Micro Focus Banking (MBA) means an Agency-developed application that manages Inmate Trust Fund accounts for incarcerated individuals.

TX-RAMP means the Texas Risk and Authorization Management Program which provides a standardized approach for security assessment, certification, and continuous monitoring of cloud computing services that process the data of Texas state agencies.

UAT means User Acceptance Testing, the last phase of the application testing process.

UPC means Universal Product Code, a 12- or 6-digit barcode that identifies a product and is used for tracking items purchased and sold.

Vendor means an enterprise that contributes goods or services to another entity and receives payment in return. Vendor can also refer to an individual who receives Restitution payments.

Virtual Storage Access Method (VSAM) means a file storage access method for IBM's mainframe operating system z/OS to organize and manage data.

Working Day(s) means a weekday, unless a nationally recognized holiday or other holidays observed by the Agency.

SECTION B – SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 SERVICES AND PRICES/COST

Offerors shall provide a summary of any assumptions and exclusions.

B.1.2 Pricing Instructions

In Volume 3 of the offer, the Offeror shall include the Pricing Schedule, and a detailed budget and budget narrative to include all costs of providing the Services required in Section C.

B.2 PRICING SCHEDULE

Deliverable	Price
Project Plan and Schedule	\$
Implementation Plan	\$
Analysis and Development - Gap Analysis	\$
Integration Plan	\$
Inmate Banking application configuration and integration test release including technical functional and Design documentation	\$
Warehouse Management application configuration and integration test release including technical functional and Design documentation	\$
Commissary application configuration and integration test release including technical functional and Design documentation	\$
Parole Fee Application configuration and integration test release including technical functional and Design documentation	\$
UAT Plan including Fix bug release and re- test support	\$
Training Materials and User Manuals and Train the Trainer	\$
Deployment to Production Environment and Final Acceptance	\$
Hardware Deployment	\$
Maintenance and Support Plan to include hardware and software support	\$
Project Closure	\$
Total Cost Offer	\$
Recurring Cost for SaaS after Project Closure	\$
Frequency of Recurring Cost	per
Total Cost for One Year of SaaS	\$

B.3 ALLOWABLE COSTS

The proposed budget shall include only costs that are reasonable, necessary, and allowable under state statutes, Agency Policies, and federal cost standards. The Agency shall make the final decision on the allowance or acceptability of a cost.

B.4 NON-ALLOWABLE COSTS

The proposed budget shall not include costs that are not allowed by the State or any authorized agency, statute, policy, or procedure. Types of non-allowable costs may include, but are not limited to, alcoholic beverages, bad debts, fundraising, political lobbying, and tobacco products.

SECTION C – DESCRIPTION/SPECIFICATIONS/STATEMENT OF WORK

C.1 BACKGROUND

The Agency is responsible for the supervision of an estimated 137,000 incarcerated Inmates. The Agency provides incarcerated Inmates a convenient method to purchase items not furnished to them by the Agency but allowed within the institution and provides a place of safekeeping for personal funds.

C.1.1 Trust Fund Banking (TFB)

- A. The existing TFB is a Micro Focus Banking Application (MBA) used to perform complex accounting functions for Inmates, employees, and various administrative accounts. Inmate accounts are created through an interface with the Inmate intake application and stored in Microsoft SQL server tables, and VSAM file. Employee accounts are created through Human Resource and payroll applications and stored in Microsoft SQL server tables, and VSAM file. All accounts show Real-Time account balances.
- B. The application accepts files to include a deposit and withdrawal through a lockbox remittance processing service. Each transaction is comprised of an Inmate's or employee's first and last name, sender's first and last name, account number, transaction amounts, dates and codes, trailer record, and other data as needed. The application accepts withdrawals processed for outside purchases, processes gate money and generates checks as requested. The application updates a suspense account daily with transactions that contain posting errors, escrow, positive pay, closes accounts of parole or discharged Inmates, interfaces with the MBA, AS400, and creates ledger entries to interface with other Agency financial applications.
- C. The application accepts files manually keyed to include other types of deposits and withdrawals, as well as holds and liens to adjustment accounts.
- D. The application's current court collection program allows the Agency to collect funds from an Inmate as determined by a court order. This program accepts input through data entry and communicates with the MBA to place a lien on the Inmate's account for the amount owed. Once the lien is entered, funds can be collected immediately from the available balance and/or from subsequent, qualifying deposits. Funds collected may include the initial partial filing fee, sanctions, and restitution which are calculated based on formulas provided in the Prison Litigation Reform Act (PLRA) of 1995. The funds collected for all court orders are placed in an escrow account that is disbursed, to each court, at the end of each month with a detailed report.
- E. The application will collect other financial obligations an Inmate may owe such as child support, medical fees, post-secondary education expenses, and other agency debt obligations. Collection of debts owed are completed through an automated or manual process based on predetermined prioritized rules and calculations. There are deposits that are subject to legislative compliance such as Veteran's disability checks and require prioritized rules.
- F. The current MBA processes approximately 8,100,000 transactions a year or an average of approximately 22,191 per Day. The proposed banking application shall

have the capability to handle high volume of transactions while maintaining its integrity and speed.

C.1.2 Warehouse Management (WM)

- A. The WM is an AS400 Chain Store Pro 400 application that manages the fluent distribution of both product and logistics of merchandise in Distribution Centers and statewide unit commissaries, along with providing Key Performance Indicators. The WM AS400 Chain store application offers visibility into the entire inventory and manages supply chain fulfillment operations from the Distribution Centers to the store shelf. The primary Distribution Center is in Huntsville, Texas with regional Distribution Centers in Snyder, Texas and Beeville, Texas. Commissaries are located throughout Texas, at approximately 158 Agency & private facility locations.
- B. The existing application has automated data collection, inventory, ordering product location and report management, along with Wi-Fi barcode scanning and printing, storage reallocation, replenishment, and warehouse management logistics. The current application contains a full inventory management module to include purchasing, Vendor information, shipping, and receiving to multiple locations. The application stores inventory item description, Universal Product Code (UPC), stock-item number or item number (SKU), unit of measure (UOM) cost, UOM retail cost, shelf-life, Department, category classifications, tax percentage per location, and other qualifiers specific to each location. The application also includes minimum and maximum inventory volume needed per Distribution Center and unit sale locations to provide re-order recommendations.

C.1.3 Commissary Point of Sale (POS)

- A. All Agency commissaries are equipped with workstations that include identification card magnetic stripe reader and omnidirectional barcode scanner. The identification card is scanned and interfaces in Real-Time with the identification card Micro Focus tables and MBA for validation of available funds for each Inmate or employee. The omnidirectional barcode scanner is used to scan each product the Inmate or employee purchases, generating a receipt using a dot-matrix receipt printer and adjusting a stores inventory, in Real-Time once the sale has been finalized.
- B. The POS application verifies Inmate demographics including eligibility to purchase specific products following the restrictions and limits of their custody code, creates spend periods, item restrictions, quantity limitations, inventory management and monthly reconciliation, Inmate property records, eCommerce interface, category and subcategory classification, inventory adjustments, identification card maintenance, immediate message queue, query access control, user defined reporting and administrative access authority and user account maintenance.

C.1.4 eCommerce

- A. The Agency utilizes an online Business to Customer (B2C) eCommerce application that allows approved customers to make an online merchandise purchase or online deposit for eligible Inmates.
- B. The Agency receives files daily, via SFTP, that include Inmate eligibility, approved sender information, current allowable spend amount, commissary products and

photographic images, Inmate demographics and receives file purchase and deposit details that interface with the Agencies MBA and AS400 applications. The Agency sets eligibility criteria to include allowable spend amounts for each Inmate.

- C. The eCommerce application landing page requires the customer to verify the Inmate and the customer eligibility before allowing access to the online catalog. The landing page also displays important messages for customers. The online catalog displays photographic images along with prices of available products for purchase. The eCommerce application allows for one attempt per Day and has a 30-minute transaction time limit, as a security precaution. An email confirmation is sent to the customer once the sale has been completed.

C.1.5 Parole Fee Management/Payment Service Provider (PFM/PSP)

- A. Parolees that are currently being supervised by the Agency are responsible for paying parole fees as well as restitution if owed while they are on parole. Parolees can owe up to three different types of fees depending on their parole status. These fees are managed in the Agency's Micro Focus system. These fees are assessed monthly, and the Inmate is required to pay these fees directly to the parole office by money order only. Staff at the parole office, collect the money orders from the parolee and post them into the parole Micro Focus system. Receipts are generated for each payment type, with the amount of the payment and the balance still owed. Once all money orders for the Day are posted, they are then balanced, and a report is generated. The report along with money orders are sent to the State Treasury for deposit.
- B. Parole fees are as follows:
 - 1. Supervision Fee - \$10.00 (assessed to all Inmates on parole).
 - 2. Crime Victim Fee - \$8.00 (assessed to all Inmates who were incarcerated in the State of Texas for a crime committed after September 1, 1993).
 - 3. Sexual Assault Fee - \$5.00 (assessed to Inmates who have a certain criminal offense code).
- C. Restitution cases are setup and maintained by the parole Micro focus System. Victims are set up as Vendors in the Agency's Micro Focus and the Texas Uniform Statewide Accounting System (USAS). Payments are received and processed at the parole office consistent with the other parole fees. At the beginning of each month, the system is prompted to generate several reports, including parole status changes, error reports, victim restitution voucher reports, etc. Reports are audited and updates are made to the Micro Focus, then a final request to create victim payments is sent and all checks to victims are printed at the State Treasury and sent for disbursement.
- D. Other payments an Inmate may make while on parole are Post-Secondary Education Reimbursement (PSER) and Electronic Monitoring Reimbursement. Neither of these are set amounts and are determined by the Agency.

Inmates discharging from the custody of the Agency qualify to receive \$100.00 (gate money). These checks are generated from a Batch File each night and printed at multiple locations. Inmates who are releasing on an expired/completed sentence,

are released with one \$100.00 check at the time of release. Inmates who are releasing on parole are released with one \$50.00 check at the time of release. Once they arrive at their parole office, they are given another check. This \$50.00 check is handwritten and entered in the micro focus application manually.

C.1.6 Current Legacy Program Use

The divisions currently using the Legacy Programs include, but are not limited to, the:

- A. Business and Finance Division (TDCJ-BFD),
- B. Correctional Institutional Division (TDCJ-CID),
- C. Human Resources Division (TDCJ-HR),
- D. Rehabilitation and Reentry Division (TDCJ-RRD),
- E. Information Technology Division (TDCJ-ITD),
- F. Parole Division (TDCJ-PD)

C.2 COMPLIANCE WITH APPLICABLE RULES, REGULATIONS, POLICIES, PROCEDURES AND LAWS

- A. The Contractor shall provide the Services to the Agency that are in compliance with applicable local, state and federal laws, and Court Ordered requirements, whether now in effect or hereafter effected or implemented; all relevant federal and state financial cost principles and audit requirements; and any and all rules, policies, and procedures established by the Agency and the TBCJ.
- B. The Contractor shall not deviate from applicable Agency Policies and procedures in the provision of Services without the prior written approval of the TDCJ-CTF Director or designee.
- C. The Agency shall notify the Contractor of all changes in, or additions to, Agency Policies, after which time the Contractor shall comply with the Policies and procedures contained therein, unless the TDCJ-CTF Director or designee approves in writing a deviation from such Policies and procedures.
- D. The Contractor's written requests for deviations from Agency Policies shall originate from the Contractor's Authorized Representative and be forwarded to the TDCJ-CTF Director or designee. The requests shall specify the deviation, with justification, and reference the Agency Policy number/procedure, section, paragraph, etc. Unless a deviation from the Contractor is specifically requested and approved in writing by the TDCJ-CTF, the Contractor shall comply with Agency Policies. A Contract award shall not imply approval of an Agency Policy deviation. Any deviation previously granted by the Agency under a separate or previous contract does not apply to the Contract.
- E. When differences between applicable standards exist, the higher standard, as defined by the Agency, will prevail. The specified requirements and standards will serve as the benchmark for monitoring program operations and management.

C.3 STATEMENT OF WORK

- A. The Agency requires the Contractor to provide a Software as a Service (SaaS) Inmate Banking and Inventory Management System (IBIMS) to replace the four core applications for Trust Fund Micro Focus Banking (MBA), Warehouse Management (WM), Chain Store Point of Sale (POS), and Parole Fee Management/Payment Service Provider (PFM/PSP). The Contractor shall integrate existing data from the Agency Micro Focus, the Inmate Information Management System (OIMS), Agency Cloud Services, and AS400 Chain Store applications into the IBIMS. The Contractor shall ensure the IBIMS shares the daily data files containing Inmate, employee or parolee demographics, restriction details, Agency identification information, and financial transactions via SFTP.
- B. The Contractor shall provide an IBIMS capable of reading Mixed File Types to include Flat Files, Micro Focus VSAM files, and Microsoft Version 2019 SQL Server tables platformed in the Microsoft Azure Government Cloud. The IBIMS shall be able to interface with the Inmate Tablet Program, the eCommerce Application, and the Agency's Legacy Programs and provide commissary preorder, lockbox remittance processing services. The IBIMS shall be flexible enough to meet future growth and legislative requirements.
- C. The Contractor shall provide an IBIMS capable of customizations. Customizations shall include, but not be limited to, the branding of the IBIMS with Agency logos, names, colors, and seamless integration and/or data sharing with Agency Administration offices, unit commissaries, including private facilities with Agency commissaries, OIMS, the eCommerce application, and Agency Parole Offices.
- D. The Contractor shall provide all software, peripheral components, programming, support, maintenance, and services required to support all software and hardware related to the IBIMS. The Contractor shall provide the identification card magnetic stripe reader compatible with the existing data card equipment, omnidirectional barcode scanner, biometric readers, electronic signature capture pad, handheld devices with built in UPC scanner scanners, and point of sale receipt printers. The Agency shall provide all workstations, to include a personal computer, printer, labels, paper, toner cartridges, and the remittance processing system.
- E. The Contractor shall provide an IBIMS with a robust payment component that allows Inmates immediate access to their funds upon release through an electronic payment method. The Contractor shall ensure the IBIMS will allow for future payments as deemed necessary to comply with state statutes.
- F. The Contractor shall provide any additional equipment, personnel, supervision, materials, supplies, transportation and services, software, programming, data storage, etc. required to make the IBIMS work and be compatible with the Agency's applications, database, and network without claim for additional payment and with the understanding that the Contractor shall provide a fully operational system for the Agency.
- G. The Contractor shall provide an Accessibility Conformance Report (ACR) for all equipment and systems associated with the IBIMS based on the ITI VPAT.

C.4 SCOPE OF WORK

The Contractor shall provide an IBIMS that shall encompass all the functions as listed in Section C.6, IBIMS Application(s) General Requirements. The IBIMS is to be deployed Agency wide. The locations are listed in Exhibit J.4. The terms, conditions, and requirements of the Contract pertain to all the Agency locations, unless otherwise stated. The Agency reserves the right to revise locations and to increase or decrease the number of workstations.

C.4.1 Project Scope

The Contractor shall:

- A. Review and provide confirmation (Gap Analysis) of Legacy Program functionality as outlined in Section C.1, Background, displaying operational requirements of the IBIMS and eCommerce applications.
- B. Provide detailed application process flow charts detailing adherence of proposed solution per the Agency business requirements.
- C. Provide design and customization of screens, dashboards, application functionality, and/or reports to support business processes of the IBIMS.
- D. Create initial output reports and documents.
- E. Provide for setup of secure access and creation of user profiles.
- F. Determine the various Mixed File Types, integration requirements and batch integration from the Flat Files, VSAM files, & Microsoft 2019 SQL Server to the IBIMS.
- G. Integrate data from the Legacy Programs various Mixed File Types.
- H. Provide documentation regarding data interfaces/data transfers.
- I. Provide documentation of security encryption standards for data sharing between the Agency applications, the IBIMS, and the remittance processing software of external banking transactions.
- J. Integrate the IBIMS with Microsoft Outlook for email functionality.
- K. Develop performance and stress test scripts with data reports of results, to include an architectural diagram displaying data points.
- L. Test applications and integration of various Mixed File Types.
- M. Conduct User Acceptance Testing (UAT).
- N. Develop a training plan and create training materials for application administrator level users and general application users.
- O. Provide end-user and application administrator training.

- P. Deploy the IBIMS to the Production Environment.
- Q. Provide routine application maintenance as well as application and hardware upgrades to ensure technical and security standards are compliant within the industry. This should include maintenance to the architectural design of hardware, software, and database interdependencies.
- R. Provide ongoing help desk support for the users of the IBIMS.
- S. Provide documented reports for scheduled security audits.
- T. Identify and mitigate risks to the deployment of the IBIMS. The Contractor shall have procedures in place to address staffing turn-over, appropriate time allocation of communication of design requirements and potential changes, availability of testing resources, coordination of approval path following SDLC practices, and effective communication between the Contractor and the Agency.

C.4.2 Assumptions

- A. Procurement of new equipment needed for the Agency workstations is not the Contractor's responsibility.
- B. The Contractor will be responsible for all hardware, operating server application, data storage costs, and any third-party license costs related to the server installation for the IBIMS.
- C. The IBIMS shall be compatible with Microsoft Windows operating systems.
- D. The POS module of the IBIMS will support the additional equipment for electronic signature, thumbprint, identification card magnetic stripe reader, UPC, SKU, and barcode technology reading equipment.
- E. The Contractor shall provide qualified and trained staff in accordance with a staffing plan, as described in Section C.6.3.F, to perform the Services.
- F. The Agency recognizes that technology is ever evolving and advancing and reserves the right to consider the addition of products and services to support emerging technology such as next generation, enhancements, and upgrades for products or services that are within the scope of the Contract. In order to meet its needs, the Agency may request the addition of products or services within the scope of the Contract. Pricing and terms will be negotiated and added to the Contract via modification. Any determination will be at the Agency's sole discretion and any decision will be final.

C.4.3 Roles and Responsibilities

- A. The Agency Project Manager (PM) shall use standard Project Management Institute (PMI) standards to:
 - 1. Coordinate project schedule with internal and external dependencies to ensure project milestones are met.

2. Provide effective communication and updates to the Contractor regarding project changes or achievement of project milestones.
 3. Coordinate all approval and acceptance stages for project.
 4. Provide design specifications to the Contractor in a timely manner.
 5. Support the Agency's initial testing during programming when a module completes unit testing by the Contractor.
 6. Coordinate with the Contractor and manage the UAT process.
 7. Provide acceptance documentation of each deliverable.
 8. Provide final project acceptance and transition to production, when approved by the Agency's leadership.
- B. The Contractor Project Manager (PM) shall:
1. Ensure Contractor personnel meet FBI and CJIS security requirements, are fingerprinted, and pass a criminal history background check.
 2. Ensure Contractor personnel sign the Agency's PD-04, Data Use and Non-Disclosure Agreement. <https://www.tdcj.texas.gov/divisions/hr/hr-policy/pd-04.pdf>
 3. Document all processes the PM is responsible for prior to the Go-Live of any proposed solution. Processes will be reviewed by the Agency's technical and business teams by utilizing a RACI Chart.
 4. Coordinates activities with the Agency PM to ensure the Contractor timelines are in sync with the Agency Project Plan.
 5. Liaise between the Agency and the Contractor's development team.
 6. Responsible for all project deliverables.
 7. Ensure the project development cycle is performed per Agency timelines.
 8. Provide effective communication and updates of project milestones.
 9. Provide required weekly written progress reports of the project and a report to outline all work performed, completed, problems encountered with explanation of cause and resolution to the Agency PM by close of business on Friday of each week.
 10. Conduct weekly status meetings with the Agency project team. Meetings to be held on-site or over the phone at the discretion of the Agency based on the timeliness of the deliverables and health of the project.
 11. Manage UAT for reporting problems and resolutions during testing and implementation phases of project.

12. Establish escalation process to mitigate potential risk to project for timely resolution.

13. Change control coordination with the Agency PM during the project.

C. The Contractor Programmer/Developer shall:

1. Develop application customizations per design specifications.
2. Code, compile, and refine programs.
3. Work with the Agency Database Coordinator and data management office for integration and data sharing.
4. Create and implement test and Production Environments.
5. Create and test the database structure for test and Production Environments.
6. Provide sample representative data to use in test activities, ensuring that testing results simulate production results.
7. Design all file formats as outlined in the SOW.
8. Resolve all identified testing bugs found in application or file sharing faults.
9. Provide transaction performance metrics, optimization, and monitoring to the Agency prior to project completion.
10. Upon acceptance of functional testing results, create and implement application.
11. Update test environment for future development and testing for all applications.

D. The Contractor Technical Documentation Writer shall:

1. Create the IBIMS application(s) user manual(s) in electronic format, to include full application functions and all of the Agency customizations. The Contractor shall include hyperlinks to applicable user manual(s) sections within the IBIMS application(s).
2. Develop the UAT documentation; working with the Agency System Analyst to ensure the comprehensive testing of the required functional and non-functional requirements is performed.
3. Develop specification and design documents, to include data architecture design documentation that describes all of the data interfaces.

E. The Contractor Trainer(s) shall:

1. Provide on-site train-the-trainer style training for the effective utilization/administration of the IBIMS application(s) for approximately 40 Agency staff.

2. Have experience with the IBIMS for application administration, user profile management, full functional user application, and report development activities of the IBIMS application(s).

C.4.4 Database Responsibilities

A. The Contractor shall:

1. Provide Training Database Administrators for product database setup of Microsoft Version 2019 SQL Server or later and documentation or runbook for handoff of the system two months prior to Go-Live.
2. Identify and review all database requirements including CPU, Memory, disk space, collation, etc.
3. Provide monitoring, tuning, and maintenance tasks.
4. Provide a backup strategy. The Contractor shall coordinate with the Agency to establish a schedule for full backups and restore points, along with other standard backups, prior to Go-Live.
5. Perform, in coordination with the Agency, data mapping, data conversion, and data migration, if required.
6. Adhere to the Agency data requirements as outlined in Exhibit J.5.

B. The Agency shall:

1. Make data available to the Contractor for staging and Contractor retrieval. This includes current Microsoft Version 2019 SQL Server database data, Micro Focus Flat File data or VSAM data located on the Micro Focus Server.
2. Depending on the level of responsibility for the development environment.
 - a. Submit "change processing to database" through approval process from development or QA environments to the Production Environment. Change processing to the database in production will be the responsibility of the Agency Database Administrator after Go-Live.
 - b. Data refreshes from production will be on an agreed schedule as defined by the Contractor and the Agency during the project initiation phase and will continue through move to production Go-Live.

C.4.5 Network Responsibilities

The Contractor shall ensure all implementations are enterprise level solutions and will integrate with existing identity systems such as Azure or Active Directory.

C.4.6 Acceptance Criteria

- A. The Contractor shall provide deliverables according to the specifications outlined in Section C.6.

- B. The Agency will validate and verify usage and conformance to all technical specifications as outlined in Section C.5.1.
- C. The Agency shall perform the needed validation and shall conduct the UAT in collaboration with the selected Contractor for all deliverables.

C.4.7 Completion Criteria

Project completion shall occur once the final project stage is completed, all deliverables have been received by the Agency, and all validation, verification, and UAT have been satisfactorily completed. The Agency shall decide if any critical outstanding issues shall be resolved before accepting the project-based deliverables and closing the project. The Agency PM will email the Contractor upon acceptance of completion of each phase.

C.4.8 Project Schedules

- A. The Contractor shall provide a detailed delivery schedule in their offer.
- B. The Contractor shall provide deliverables on the dates specified. The Contractor shall notify the Agency PM in writing if a deliverable is at risk of not meeting a deadline. If the deliverables cannot be provided within the scheduled time frame, the Contractor shall contact the Agency PM in writing explaining the delay and the proposed revised schedule. The request for a revised schedule shall include an impact study on related tasks and the overall project deadline.
- C. The Agency must review and approve a request for a revised schedule before it is placed in effect.
- D. The Agency shall complete a review of each submitted deliverable within seven to 14 Working Days from the date of receipt.

C.4.9 Quality Standards and Procedures

- A. The Contractor shall adhere to industry standard best practices to ensure on-time and quality deliverables. The Agency expects efficient operations throughout the overall engagement including documentation, coordination, communication, collaboration, etc.
- B. The Contractor shall perform quality assurance testing on all deliverables prior to release for the Agency PM testing and final user acceptance test team to minimize re-testing time and potential project delays.
- C. The Contractor shall establish and strictly adhere to change management procedures. After the initial test results are accepted by the Agency, the documentation shall be brought up to date and released together with the application. Finally, the Contractor PM shall verify the change and close the entry in the Change Log. All support activities shall be managed utilizing an established change management process, which shall include, but is not limited to, the following:
 - 1. Change/problem documentation.
 - 2. Change technical feasibility documentation.

3. Change costs and benefits (if mutually agreed as new function rather than break fix).
4. Change impact analysis.
5. Change planning.
6. Release of code in test environment.
7. Test report.
8. Change verification.
9. User acceptance and deployment approval.

C.5 IBIMS APPLICATION(S) GENERAL REQUIREMENTS

A. Inmate Funds Management

1. Application shall allow administrators to create individual accounts for Inmates and employees utilizing a unique Agency-defined account number to include account holder's last name, first name, middle initial, and suffix.
2. Application shall provide Real-Time balances and detailed banking history for both Inmate and employee.
3. Application shall allow users to add, edit, inactivate, or archive multiple ledger accounts that shall be created as defined by the Agency, such as Clearing, Suspense, Escheat Accounts, etc.
4. Application shall allow users to create a transmit file to upload to the remittance processing application containing approved depositors. This file must include:
 - a. TDCJ Inmate number.
 - b. Inmate last name.
 - c. Sender full first name.
 - d. Sender full last name.
5. Application shall accept a transmit file created by the remittance processing application for deposits. This file must include:
 - a. TDCJ Inmate number.
 - b. Inmate last name.
 - c. Sender full first name.
 - d. Sender full last name.

- e. Amount of deposit.
 - f. Deposit source (ACH, Money Order, Cashier's Check, Electronic Payment, Credit/Debit Card, etc.).
6. Application shall accept a data file from the Agency payroll application to employee accounts and update the employee general ledgers.
 7. Application shall allow users to manually deposit funds into an Inmate's account.
 8. Application shall match all deposits to a current banking history file to include:
 - a. TDCJ number.
 - b. SID number.
 - c. Last name.
 - d. First name.
 9. Application shall place unmatched and unidentified deposits into a suspense account through an automated environment.
 10. Application shall reject/deny any deposit transactions to Inmate accounts from unapproved senders.
 11. Application shall accept a transmit file created by the remittance processing application for withdrawals for Inmates and employees. This file must include the:
 - a. TDCJ Inmate number/employee Social Security Number (SSN).
 - b. Inmate last name/employee last name.
 - c. Payable to.
 - d. Amount of withdrawal.
 12. Application shall allow users to manually withdraw funds from an Inmate/employee account.
 13. Application shall allow users to issue a payment for Inmate or employee withdrawals.
 14. Application shall allow users to void and reissue checks.
 15. Application shall update the Agency defined ledger accounts via an automated process or data transfer file.
 16. Application shall reject/deny any withdrawal transactions if funds are not available.
 17. Application shall update user defined ledger accounts and banking transactions unique coding.

18. Application shall allow users to place and release Real-Time account holds and liens on Inmate accounts as defined by the Agency.
19. Application must allow for the automatic release of liens once total debt is collected.
20. Application shall allow users to establish debt obligation collection hierarchies and protocols as defined by the Agency, for the collection of a payment and partial payment of debt owed.
21. Application shall allow users to close an Inmate or employee account upon notification of departure/release through interface with other Agency applications through an automated process.
22. Application shall allow users to disburse remaining Trust Fund balance and government mandated release payments to an Inmate at the time of release.
23. Application shall allow users to disburse remaining employee funds at the time of employee separation.
24. Application shall allow administrative users to manually re-open or close Inmate and employee accounts.
25. Application must interface with and update the Agency's positive pay file daily for all employees or Inmates through checks issued or voided.

B. Parole Fee Management/Payment Service Provider

1. Application shall allow users to create individual accounts for parolees who owe parole fees based on criteria defined by Government Code and setup by the Agency. Fee types are as follows:
 - a. Restitution.
 - b. Supervision.
 - c. Crime Victim Fund.
 - d. Sexual Assault.
 - e. PSER.
 - f. Electronic Monitoring.
 - g. Public Notation Reimbursement
2. Application shall allow user to post payments to each fee type regardless of payment source.
3. Application shall accept the following payment sources:
 - a. Money Order.

- b. Cashier's Check.
 - c. Debit Card.
 - d. Credit Card.
4. Application shall allow defined user groups the ability to accept a secured payment method using a mobile device.
 5. Application shall provide a secured online method for parolees to view their fee balances and make online payments.
 6. Application shall provide an electronic and printable receipt of any fee payment(s) to include prior balances, payment, and new balance for each fee type owed.
 7. Application shall allow users to reprint receipts.
 8. Application shall allow administrative users to edit fee balances.
 9. Application shall allow administrative users to edit or add victims to active accounts.
 10. Application shall allow users to add notes for any modifications made to any fee type or victim information.
 11. Application shall allow users to update all appropriations and general ledgers associated with each fee detail type.
 12. Application shall generate restitution letters based on the Agency's defined criteria.
 13. Application shall allow users to set up Agency-defined restitution and victim-owed accounts to include victim information such as:
 - a. TDCJ Inmate number.
 - b. Inmate last name.
 - c. Inmate first name.
 - d. Cause number.
 - e. Name of victim.
 - f. Address of victim.
 - g. Amount owed to victim.
 - h. Total restitution amount paid by the Inmate.
 14. Application shall automatically allocate payments received to each victim based on set criteria determined by the court or Agency.

15. Application shall initiate disbursement of funds collected via check or ACH as set by the victim.
16. Application shall allow administrative users to establish fees and restitution obligation collection hierarchies and protocols as defined by Government Code and the Agency for the collection of a payment/payments and/or partial payment(s) for fees and restitution.
17. Application shall allow administrative users to reconcile Agency-received fee payments at the end of the Day.

C. Point of Sale

1. Application shall provide an efficient method for users to order, receive, transfer, and adjust merchandise between:
 - a. Commissary to Commissary.
 - b. Commissary to Distribution Center.
2. Application shall support Direct Store Delivery (DSD) for individual unit commissaries for direct Vendor-shipped goods.
3. Application shall track inventory by inventory location; multiple stores can be in one location.
4. Application shall track every item at each location.
5. Application shall allow users to set trailer-to-weight standards and alert users of over-the-limit shipments.
6. Application shall allow users to create an out-of-stock list, price list, promotional messages, seasonal, and emergency announcements.
7. Application shall allow the commissary unit/store to utilize the magnetic stripe reader or barcode scanner to scan the Agency identification card or employee card.
8. Application shall update individual eCommerce orders at the unit of assignment through an automated interface and generate a completed order fulfillment receipt upon delivery.
9. Application shall display, at the time of sale, if the Inmate has an eCommerce order.
10. Application shall print a duplicate receipt once the sale is final.
11. Application shall update store location's on-hand inventory after each completed sale and debit the employee or Inmate account balances in Real-Time.
12. Application shall print property papers for merchandise purchased that require proof of purchase.

13. Application shall create and store an electronic signature and digitally store the receipt for property items.
14. Application shall allow user to reprint a receipt.
15. Application shall allow for Real-Time inventory adjustments.
16. Application shall allow users to make inventory adjustments based on criteria/permissions set by the Agency.
17. Application shall create and transmit, or transfer required data files for Inmate telephone accounts.
18. Application shall interface with the Agency's Inmate Tablet Program to allow for ordering commissary through the tablet.
19. Application shall allow substitutions as defined by the Agency for Inmate Tablet Program orders and eCommerce orders if a product is not available.
20. Application shall be capable of creating additional customizable agency special sales programs such as:
 - a. Passover;
 - b. Administrative/Indigent Postage purchase card;
 - c. Fan Direct; and
 - d. Property preorder and fulfillment program.

D. Warehousing

1. Application shall provide an efficient method for users to order, receive, ship, transfer, and adjust merchandise between:
 - a. Distribution Centers;
 - b. Distribution Center to Commissary;
 - c. Commissary to Commissary; and
 - d. Commissary to Distribution Center.
2. Application shall allow for distribution centers to receive order(s) to include the entering of quantity, adjustments, and pricing details.
3. Application shall have a product profile of more than one UPC Code, as needed, and editable notes for products.
4. Application shall support Direct Store Delivery (DSD) for individual unit commissaries.

5. Application shall allow for appointment scheduling of shipments coming into, and being sent out, of the Distribution Centers to include, but not limited to:
 - a. Vendor;
 - b. Pallet quantity;
 - c. Purchase order number;
 - d. Total weight; and
 - e. Route report.
6. Application shall allow for unit commissaries to order commissary goods from external or internal Vendors.
7. Application must allow users to set up Vendor profiles.
8. Application shall allow users to schedule company trucks for shipping from Distribution Centers.
9. Application shall allow users to populate the database for delivery schedule auto-generation and have the ability to manually set up or adjust the schedule.
10. Application shall allow trailer-to-weight standards in the application to alert users of over-the-limit shipments.

C.5.1 Technical Requirements

- A. Application shall provide customization of screens, dashboards, and mobile applications and their functionality to support all business processes of the IBIMS.
- B. Application must interface with the Agency Legacy Programs to update Inmate and employee Real-Time account transactions and balances as defined by the Agency.
- C. Application shall interface with the B2C eCommerce application to update Inmate's demographics, eligibility, and spend amounts as defined by the Agency.
- D. Application shall integrate and be accessible across multiple user devices, to include, but not limited to:
 1. Desktop Workstations;
 2. Laptops;
 3. Inmate Tablet Solution;
 4. Smartphones; and
 5. Wireless handheld and mobile scanning devices.

- E. Mobile application(s) should be easily downloadable via the Google Play Store and Apple Store, as well as integrated to restricted devices such as Inmate tablets.
- F. Online application(s) shall be compliant with accessibility requirements as described in Section I.17.
- G. Online application(s) shall allow administrative users the ability to insert banner alerts or select pre-defined banners.
- H. Online application(s) shall set English as the default language and provide users with the option to change the language to Spanish.
- I. Application shall interface with all current Agency applications utilizing Mixed File Types.
- J. Application shall allow users to add or edit data tables for prioritization and percentage variables of payments, debits or disbursements for all funds collected.
- K. Application shall allow users to change parameters for monthly service charges, rate increases, spend amount limits, no charge fees, and any additional defined parameters.
- L. Application shall provide a maintenance process to prevent and block duplicate deposits, withdrawals, or transfers for all accounts.
- M. Application shall maintain transaction history for two years, and after two years, automatically archive data to application server.
- N. Application shall scan and read multiple types of barcodes to include:
 - 1. UPC-A and UPC-E
 - 2. EAN
 - 3. ITF
 - 4. MSI
 - 5. Code 39
 - 6. Code 128
 - 7. QR
 - 8. Data Matrix
 - 9. PDF417
- O. Application must allow users to customize and print shelving labels with item descriptions and barcodes.

- P. Application shall be compatible with current Distribution Center hardware for pallet labels, shelf labels, and tracking.
1. Hardware: Zebra Label Printer (or Agency approved equivalent).
 2. Label sizes: Pallett – 8' High x 6" Wide; Shelf - 2.5' High x 6" Wide.
- Q. Application shall integrate with current wireless mobile scanning computer and responsive design.
- R. Application must have a Master Merchandise Maintenance data file and must include the following:
1. Item Description.
 2. Item code.
 3. Item UPC.
 4. Agency.
 5. Restriction/special receipt categories.
 6. Vendor details.
 7. Minimum/maximum quantity to be maintained.
 8. Date of receipt.
 9. Shelf life.
 10. UOM.
 11. Item Cost.
 12. Taxable Item (Y/N).
 13. Item Retail.
 14. Current on-hand quantity.
 15. Item Classification Categories.
 16. Weight per UOM.
 17. Special Character Designator Flag to include non-spend, potential trouble items, keyable items, eCommerce items, Kosher items, or any item as needed by the Agency.
- S. Application shall allow user to disable and enable Inmate identification cards.

- T. Application shall allow user to print a temporary Agency identification card with Inmate picture, Inmate name, Inmate TDCJ number and any other information required on a temporary Agency ID.
- U. Application shall allow user to add a restriction to an Inmate's commissary purchase in Real-Time.
- V. Application shall set up and maintain a tax table for rules about taxation of merchandise.
- W. Application must retrieve tax data information from the Texas Comptroller's website, and auto populate tax brackets for merchandise and locations.
- X. Application must access, update, and modify distribution tables for merchandise placement and location to include items stored in:
 - 1. Primary locations;
 - 2. Back-up locations; and
 - 3. Designated warehouse locations.

C.5.2 Security and Data Breach Requirements

- A. The IBIMS application(s) shall meet the following requirements for user accounts:
 - 1. Application shall contain user account management that will be configured to verify user authenticity for all applications.
 - 2. Applications shall require a username and password, with the password formatting to be set by the Agency.
 - 3. Application shall require standard user profile for employee name, location, security/application access levels, email address for online password reset, and the use of user selected security questions for duplicate authentication.
 - 4. Application shall have role-based levels for replication of user permissions for select users or groups of users and commissary locations.
 - 5. Application shall allow users to enter/modify data based on assigned user groups or access rights.
 - 6. Application shall require a password change every 60 Days.
 - 7. Application shall allow authorized user control login to any commissary location.
 - 8. Application shall have an audit/user tracking to log all user/end user activity in the application or web-based application.
 - 9. Application shall create an immediate interface alert notifying users of incomplete transactions detail records, as defined by the Agency and prior to posting or updating a transaction or record.

B. The Contractor shall comply with the following security and data breach requirements:

1. The Contractor is responsible for following all federal and state laws as well as the Information Resources Security Program (IRSP), the Agency's security policy based on NIST 800-53.
2. The Contractor shall obtain a Level 2 TX-RAMP Certification for the SaaS application(s) to be utilized. Once the appropriate TX-RAMP Certification has been obtained, the Contractor must maintain the certification for the duration of the Contract.
3. All Contractor staff, including any subcontractors, must complete the Agency's Cybersecurity Training Course if they require access to the Agency systems or data.
4. All Contractor staff, including any subcontractors with access to Agency systems, data, or proprietary information, must agree to and sign PD-04, Data Use and Non-Disclosure Agreement. <https://www.tdcj.texas.gov/divisions/hr/hr-policy/pd-04.pdf>.
5. All deliverables within the SOW are subject to security vulnerability scanning by the Agency OCISO. Any vulnerabilities found must be corrected on a schedule based on the criticality of the vulnerability.
6. The Agency shall perform security penetration testing of the system as the Agency deems necessary. Any shortcomings identified through the security penetration testing shall be resolved within 30 Days of the results being submitted in writing to the Contractor.
7. Each version of any mobile application or public-facing website that stores or processes confidential or sensitive information must undergo a security penetration test before Go-Live. Any shortcomings identified during the testing must be resolved before the version goes live.
8. The Contractor must notify the Agency within 8 hours of a cybersecurity breach or suspected cybersecurity breach.
9. The Contractor must notify the Agency within 24 hours of any supply chain compromises.
10. At the request of the Agency, the Contractor shall submit the results of any assessments or audits for the purpose of continuously monitoring the Contractor.
11. The Contractor shall dispose of any Agency data, documentation, tools, or system components using established and approved techniques and methods based on the level of confidentiality.

C.5.3 Reporting

- A. Application shall provide a reporting tool for users to create and export into multiple formats and that have pre-set guidelines that will allow for users to customize based on user needs.

- B. Application must have user-defined access for auditing and Compliance Standards (Exhibit J.2), performance reports, trend analysis fulfillment reporting, and summary reports statewide, per commissary.
- C. Application shall have an ad-hoc user-performed report function to build financial summary reports and transactional reports and analysis, product count totals, and daily inventory valuations.
- D. Application shall allow users to create trend analysis reports based on set criteria determined by the Agency.
- E. Application shall provide a query function that allows users the ability to search by specific data.
- F. Application shall allow users to export queried data into various formats such as CSV, XLS, and PDF.
- G. Application shall automatically generate daily reports required by the Agency not limited to:
 - 1. Government checks deposited.
 - 2. Deposits over a set limit.
 - 3. Withdrawals.
 - 4. Holds.
 - 5. Disciplinarys.
 - 6. Investigations.
 - 7. Craft sales.
 - 8. Intake monies.
 - 9. Rejections.
 - 10. Closed accounts.
 - 11. Parole fees.
 - 12. Out of balance.
 - 13. Victim restitution.
 - 14. Escheat/unclaimed property.
- H. Application shall generate monthly bank reconciliation statements with all account activity for all employee, Inmate, Agency administrative accounts, parole fees, etc.

- I. Application shall generate Inmate bank statements to be available for print or upload to Inmate tablets.
- J. Application must allow users to create an annual transfer file to transfer records from the Agency to the State Comptroller for unclaimed property. This report will be for multiple accounts set up in the application and has certain criteria as determined by the Agency and Government Code 501.014.
- K. Application must allow users to print sales analysis reports based on set criteria set by the Agency.
- L. Application must allow user to populate a delivery schedule report.
- M. Application shall generate a route-weight report on shipping documents at the time of shipping.
- N. Application shall print and maintain a manifest as required by the Agency of Transportation for Commercial Transport.
- O. Application shall create and print multiple types of pick tickets with aisle page breaks for pulling goods to ship.
- P. Application shall print pallet labels when requested.
- Q. Application shall perform reorder analysis, trending historical usage, order timelines, shelf life, and recommended reorder quantities each Day at the Distribution Center level and individual commissary locations.

C.6 SERVICE DELIVERABLES

C.6.1 Project Milestone

- A. Project Plan and Schedule - The Contractor shall be responsible for developing and maintaining a Project Plan which must be approved in writing by the Agency prior to implementation.
 - 1. The Contractor shall provide a schedule for deliverables within the first 30 Days of an awarded Contract.
 - 2. The Contractor shall use Project Management Tools which include an action item database as well as an issues database to identify and manage issues that may arise during the course of the project. The Contractor shall make the action item database and issues database accessible by the Agency. The Agency prefers that the Contractor utilize Microsoft Project 2007 or higher to develop, document, update, and maintain the Project Plan schedule and timeline, but shall consider other tools, at the Contractor's expense.
 - 3. Status Reports - The Contractor shall submit a written status report each month for the duration of the project. The monthly status reports shall contain, at a minimum, the following:

- a. A complete set of updated and current output from the Project Management Tool, including an updated Gantt chart to include initial start and end dates.
 - b. A description of any planned changes to the requirements.
 - c. A description of activities planned for the upcoming month and accomplishments achieved during the reporting period.
 - d. The status of all deliverables, with a percentage of completion and time ahead or behind schedule for particular tasks, and new estimated start and end dates with explanation of changes to dates.
 - e. Identification of the Contractor's employees assigned to specific activities.
 - f. Problems and issues encountered, proposed resolutions, and actual resolutions.
 - g. A risk assessment of key reported problems or issues.
 - h. Proposed changes to the Project Plan.
4. The Contractor shall manage project scheduling and work activities. The Contractor shall schedule project staff resources to ensure the completion of deliverables on schedule.
 5. The Contractor shall ensure all deliverables meet contract requirements for form and content. The Contractor shall monitor the work of the project teams to assess the quality of work products. The Contractor shall review all deliverables for adherence to contract requirements before submitting them to the Agency.
 6. The Contractor shall provide deliverables on the dates established by the Agency PM after award of Contract. The Agency PM or designee must approve, in writing, any changes to the delivery date.
 7. The Contractor shall submit all deliverables in a format approved by the Agency PM.
 8. The Contractor shall establish acceptance criteria and a time period for testing or acceptance for each deliverable.
 9. If the Contractor is not able to provide a deliverable within the scheduled timeframe, the Contractor is required to contact the Agency PM in writing with a reason for the delay and the proposed revised schedule. The Contractor's request for a revised schedule shall include the impact on related tasks and the overall project.
 10. The Agency shall review any request for a revised schedule shall be reviewed and approved by the Agency PM before the revised schedule is placed into effect.
 11. The Agency PM will complete a review of each submitted deliverable within the specified number of Working Days dictated by the Contractor Project Plan from the date of receipt.

12. The Contractor and the Agency will attend a kickoff meeting at a location and time selected by the Agency PM where the Contractor's staff will be introduced to the Agency project staff.
- B. Change Management Procedures - The Contractor shall provide a template for comprehensive change management procedures to be utilized during the project.
1. Proposed changes submitted by the Contractor shall include identification of any required changes to schedule, scope, budget/prices, and personnel.
 2. Proposed changes submitted by the Agency shall be evaluated by the Contractor for the purposes of identifying the impact of such changes in terms of schedule, scope, budget/prices, and personnel. This information shall be provided to the Agency PM within three Working Days of receipt of those proposed changes.
 3. In any event, both parties shall be allotted no more than five Working Days for the review of a proposed change request submitted by either party, and shall indicate in writing that party's approval, disapproval, or deferment of the proposed change.

C. Analysis and Development

The requirements in Section C shall be used as the core functional requirements during the Gap Analysis process. Any additional requirements determined during the Gap Analysis process or by recommendation of the Contractor shall be incorporated into the IBIMS application(s) requirements specifications upon written approval from the Agency PM.

1. Application Development Plan - The Application Development Plan shall define and schedule all activities and resources involved in developing or modifying the application as well as any development standards that shall be used. The Contractor shall provide a means of controlling documentation and code changes throughout the development or customization and implementation of the IBIMS application(s).
2. Configuration Management (CM) Plan - The CM Plan shall describe the resources required for Configuration Management, how and when they shall be used, and which CM standards and procedures shall be applied during the project. The CM procedures shall establish methods for identifying, storing, changing, and tracing changes in application or requirements through development, integration, and implementation of the IBIMS application(s).
3. Application development for identified customizations and integration with the IBIMS application(s) to ensure Real-Time data sharing. To include but is not limited to configuring and customizing the Software as a Service (SaaS) solution to create objects, views, custom screens, reports, dashboards, workflows, and notifications.
4. The Contractor shall ensure the TFB module of the IBIMS interfaces using multiple Mixed File Types to access the Agency Inmate data, employee data, and Agency identification data as required by the application and consistent with the existing data utilized by the Agency Legacy Programs.

5. The Contractor shall coordinate integration of the eCommerce application, the IBIMS, and Agency SMTP servers to send email notifications to end users that a purchase and/or deposit was successful.
6. The Contractor shall identify and utilize data conversion requirements for the migration of historic data from Legacy Programs to the IBIMS application(s).
 - a. The Contractor shall be required to modify the IBIMS, if needed, to store and utilize historic data from the Agency Legacy Programs.
 - b. The Contractor, with the assistance of the Agency's Information Technology Division staff, shall be required to convert data into new/modified tables.
 - c. The Contractor, with the assistance of the Agency's Information Technology Division staff, shall be required to map data to the IBIMS.
 - d. The Contractor shall follow the Agency's standard data format.
7. The Contractor shall plan for data exchange between the TFB module of the IBIMS and the remittance application.
8. The Contractor shall plan for the IBIMS to process external files containing Inmate medical care information for Inmates to ensure the Medical Fee is charged each year if the Inmate receives treatment.
9. The Contractor shall plan for the IBIMS to process the administrative/indigent postage file.
- D. Project Design Review-Concurrence – The Contractor shall provide review and design work-sessions and documentation to the Agency PM for approval of design.
- E. Test Environment – The Contractor shall create a test environment populated with historic data from the Agency Legacy Programs, including initial user profile upload from Legacy Programs, and test data sharing using Agency Mixed File Types. The Contractor shall coordinate activities with the Agency network engineers, database administrators, and the Agency liaison for the Texas Department of Information Resources Data Center Services for test environment implementation.
- F. Integrated Application Test Release – The Contractor shall implement the customized IBIMS application(s) on the test environment.
- G. Quality Assurance and Performance – The Contractor shall perform application and unit testing to ensure the application functionality meets the Agency requirements and specifications and to validate the historic data migration, application integrations, performance, and data file management.
- H. Quality Assurance Plan - The Contractor shall provide a Quality Assurance (QA) Plan to describe the resources required for QA, how and when they shall be used, and which QA standards and procedures shall be applied during the project.
- I. Application-Level Test Plan - The Contractor shall provide an application test plan for the IBIMS application(s) functional testing and integration/data sharing testing.

- J. Application Testing - The Contractor shall coordinate with the Agency's technical staff on full functional testing, including performance with simulated load testing to validate application handling of the Agency's volume and concurrent users. The expected response time is two seconds or less per transaction.
- K. UAT Plan – The Contractor is responsible for providing the test plan and procedures. With the Agency's participation, the Contractor is responsible for validation and verification of the application's functionality to ensure Agency requirements outlined in Section C are met.
- L. UAT Support - The Contractor PM and the Agency PM shall review, monitor, and record UAT test results.
- M. Fix bug release - The Contractor shall respond to resolve bugs identified during UAT.
- N. Re-Test Support - The Contractor shall monitor and record the final UAT results.
- O. Integration Plan - The Contractor shall provide documentation of approach and activities needed to integrate application with data sharing as defined in Section C.
- P. Training Materials – The Contractor shall develop a comprehensive training plan, training curriculum, training materials, and training documents. Final approval of the training plan, curriculum, materials, documents, and schedule shall be made by the Agency PM. The required deliverables for this task include:
 - 1. Training Plan.
 - 2. Training materials and documents.
 - 3. Assigned instructor for operations, administration, and basic user training.
- Q. User Manuals -The Contractor shall develop, deliver, and maintain User Manuals that describe how to use each application from a business function perspective, to include the following:
 - 1. General walk through of the application from the initiation through exit. This includes a comprehensive document that informs and educates the user on usage of the application.
 - 2. Graphical depiction of the equipment, communications, and network configuration of the application in a way that a non-technical user can understand.
 - 3. Description of the different users and the restrictions placed on application accessibility for each.
 - 4. Detailed description of the procedures necessary to access and exit the application.
 - 5. Description of the organization of the application and the navigation paths to the main functions and features.

6. Description of each user function or feature explaining the characteristics of the required input and system-produced output.
 7. Description of all recovery and error correction procedures, including error conditions that may be generated and corrective actions that may need to be taken.
 8. Hyperlinks throughout the IBIMS application(s) to reference corresponding User Manual material.
- R. Train the Trainer - The Contractor shall provide formal training on the functionality of the IBIMS application(s).
1. The Contractor shall conduct operations and administrative training to ensure that Agency staff is properly trained to operate and maintain the application.
 2. The Contractor shall work with the TDCJ-BFD to implement user training that provides each user with specialized training that pertains to his/her roles and responsibilities within the Agency.
 3. The Contractor shall conduct training for instructors and for users supporting the operations and administrative duties for the application.
 4. The Contractor shall measure the quality of training by monitoring the training classes and obtaining evaluations from each attendee.
- S. Deployment to Production Environment – The Contractor is responsible for deploying the application to the Production Environment, activating user accounts, migrating data to the Production Environment, and integrating the Production Environment with Mixed File Types and Agency SMTP servers.. The Contractor shall coordinate activities with the Agency PM, Agency network engineers, database administrators, Texas Department of Information Resources Data Center Services, data management teams, records retention teams, OCISO, and other development teams for implementation.
- T. Application Maintenance Manual - The Contractor shall provide documentation regarding application maintenance requirements and activities.
- U. Data Dictionary & Application Reference Material - The Contractor shall provide table definitions, data components within those tables, and program components with a description of each process carried out by the database application to support user query/reports.
- V. Post-Implementation Summary – The Contractor shall provide a summary of post issues with resolution details at the end of the implementation support period for each phase of the project.
- W. Technical Specification Documentation – The Contractor shall outline security and authentication, custom code, data model and database storage, and integration with the Agency Mixed File Types as detailed in Section C. The Contractor shall provide all technical papers, materials, and tables used to define technical settings and configure hardware, application, and network configuration items.

- X. Maintenance and Support – The Contractor shall provide a quote for a maintenance agreement including through the length of the Contract period.
1. The Contractor warrants Services described herein shall be performed in a professional business manner and comply with all applicable federal, state, and local laws, and regulations.
 2. The components of the mandatory warranty support include:
 - a. All labor and material provided by the Contractor to address defects.
 - b. All the support the Contractor shall provide at no additional cost to the Agency to ensure that the IBIMS application(s) properly function including all associated hardware.
 - c. On-call technical support via phone, email, or internet and a four-hour call back response time for acknowledgement and proposed time and schedule for on-site work for a period of the term of the Contract.
 - d. Establishing a reporting schedule and format to update management with the current status of the IBIMS application(s).
 - e. Maintenance of the application to repair application “Bugs” as they are identified.
 - f. Upgrades to application where necessary to meet contracted Compliance Standards as described in Exhibit J.2.
 - g. Supporting the help desk operations.
 - h. Providing on-call technical support for infrastructure.
- Y. Project Closure – The Contractor shall have addressed any remaining issues identified during UAT or Training. Upon signoff of project completion by the Agency PM, the Contractor may invoice for retainage.

C.6.2 Other Requirements

- A. The Contractor shall describe in detail any Disaster Recovery Plan in place that would provide for the recovery of data in the event of system failure, a catastrophic event, a natural disaster, or other event that causes loss of the system or data. In the event of a database or server failure, the SaaS shall retain all capabilities, restrictions, validations, and system integrity. The plan shall provide reports illustrating that the SaaS shall be restored to the exact configuration and restrictions as prior to system failure, and that all records are restored.
- B. All information and databases associated within the SaaS are the property of the Agency and shall not be given, sold, or used for any other purpose outside of the SaaS without express written consent from the Agency. Upon termination of the Contract, data shall remain with or be transferred to the Agency.

C.6.3 Implementation

The Contractor shall use calendar Days with the effective date of the Contract being Day one. The Contractor shall provide an Implementation Plan with a timeline in which all system components shall be completely installed and fully functional at designated facilities listed in Exhibit J.4. The Agency reserves the right to make site locations and timeline changes as necessary from the submitted Implementation Plan.

The Implementation Plan shall include, at a minimum, the following sections:

- A. Introductory kick-off meeting.
- B. Planning (site plan by location).
- C. System Design (equipment/infrastructure required).
- D. Security Plan Documentation (access/data).
- E. Project Schedule (Timeline).
- F. Staffing Plan.
 - 1. Number of staff dedicated to the project by job title and job description.
 - 2. Plan shall include the Contractor's expectations of both Contractor and Agency staff.
 - 3. A dedicated Contractor PM (single-point-of-contact) shall be assigned and included in the staffing plan through implementation and Go-Live.
- G. Infrastructure procurement and installation if applicable.
- H. Equipment specifications, procurement, and installation.
- I. Training.
- J. Testing.
- K. Delivery and Acceptance.
- L. Database Management.
- M. Enrollment.
- N. Go-Live.
- O. Updating.
- P. Reporting.
- Q. System Management.

- R. Documentation (system design, training manuals, etc.).
- S. System Maintenance and Support.
- T. Instruction concerning the return of data and information to the Agency at Contract expiration or termination.

C.6.4 Added Value

The Contractor may propose additional services that are directly related to the requested applications that might add value to the Contract. All no-charge added value services/features agreed upon by the Contractor and the Agency will remain no charge through the end of the Contract period, to include an option to renew or extend. Added value items include, but are not limited to, the following:

- A. Kiosk machines in parole offices to allow parolees to make debit card payments towards parole fees.
- B. Kiosk machines at specific units releasing Inmates to allow Inmates to withdraw their Inmate funds directly in cash at the time of release.
- C. Immediate assistance through chat support with built-in automation while using the application in Real-Time.
- D. Commissary vending machines for Inmates and employees to purchase products using their identification cards. Vending machines must have the ability to validate eligibility of purchase in Real-Time.

SECTION D – REPORTS AND DATA**D.1 REPORTS REQUIRED FROM CONTRACTOR**

The reports in this Section are required to be submitted by the Contractor during the Contract term. These reports may be revised, or additional reports may be required, at the Agency's discretion.

FREQUENCY	DUE DATE	REPORT ITEM	AUTHORITY
Weekly	To Agency PM by close of business on Fridays.	Written Progress Reports	Contract Section C.4.3.B.9
Monthly	To Contract Specialist by fifth Day for preceding month	HUB Subcontracting Plan (HSP) Prime Contractor Progress Assessment Report, Exhibit J.9	Contract Section H.2.2.C
Monthly	To the Agency PM.	Status Report(s)	Contract Section C.6.1.A.3
Quarterly	To Contract Specialist on December 1st, March 1st, June 1st, September 1st	Report listing litigation	Contract Section K.3.6.E
Other	To Contract Specialist prior to Service Commencement and within 30 Days of effective date upon renewal or replacement	Insurance Certificates and Policies	Contract Section H.1.C
Other	Each instance	Copy of each subcontract	Contract Section H.2.D

SECTION E – INSPECTION AND ACCEPTANCE

E.1 INSPECTION OF SERVICES

- A. The Agency and other government regulatory agencies have the right to inspect and test all Services called for by the Contract, to the extent practicable at all times and places during the Contract Term. The Agency shall perform inspections in a manner that will not unduly interfere with the Contractor's performance of Services. The Contractor shall furnish, and shall require subcontractors to furnish, at no increase in the Contract price, all reasonable assistance for the safe and convenient performance of these duties.
- B. From time to time the Agency shall, subject to limitations provided by law with respect to rights of privacy, have the right to reasonably prompt access and to examine all records of the Contractor related specifically to the services, including financial records, employee records (including time and attendance records), and Defendant/Inmate records generated by the Contractor and its subcontractors in connection with the performance of the Contract.
- C. If, subject to the outcome of an audit or inspection, it is determined that the Contractor is in non-compliance with any provisions of the Contract, and/or that money is owed to the Agency by the Contractor, then the Agency may exercise its rights of recovery of money owed as authorized in Sections G.4.3 and G.4.4 of the Contract.
 - 1. If any of the Services are non-compliant with the Contract requirements, as identified by the Agency, the Contractor shall be notified describing the specific areas of non-compliance. The Contractor shall have a 20 Day period to file a written response detailing corrective action(s) taken to address all items of non-compliance. The response must include supporting documentation which verifies execution of corrective action(s) taken. Unless otherwise specified, or previously agreed to by the Agency, the submission of a corrective action plan shall not be accepted as corrective action. For all items of non-compliance satisfactorily resolved by agreement between the Contractor and the Agency, no further action regarding such items shall be taken. Any areas of non-compliance shall be corrected within 20 Days or by the date of the Agency approved extension.
 - 2. If any of the Services are non-compliant with the Contract requirements, as identified by a government regulatory agency, the Contractor must resolve all items identified as non-compliant by the deadline established by the agency.

E.2 INSPECTION BY STATE EMPLOYEES

The Contractor shall allow at all times employees/agents of the Governor, members of the Legislative and all other members of the Executive and Judicial Branches of the State of Texas, as well as any other person designated by the Agency and TBCJ to monitor the delivery of Services.

E.3 AUDITS BY OTHER AGENCIES

- A. Upon receipt of audits or monitoring reports pertaining to the provision of Services under the Contract that are conducted by agencies or entities other than the Agency, the Contractor shall provide copies thereof to the Agency or designee within 30 Days.

- B. The Contractor shall provide to the Agency or the designee copies of responses to audits and/or monitoring reports within seven Days of issuance. Audits or monitoring reports may include allegations or complaints involving Service operations, or the Contractor and its employees (including consultants, independent contractors and their employees, agents, interns, and volunteer workers).
- C. The Contractor shall retain all original audits and monitoring reports conducted by other agencies for a minimum of seven years after the completion, conclusion, expiration, or termination of the Contract. The Contractor will grant access to all said audits and monitoring reports to the Agency, the State Auditor's Office (SAO), and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

E.4 FRAUD, WASTE, OR ABUSE

- A. In accordance with Texas Government Code, Chapter 321, the SAO is authorized to investigate specific acts or allegations of impropriety, malfeasance or nonfeasance, in the obligation, expenditure, receipt or use of State funds.
- B. If there is a reasonable cause to believe that fraud, waste, or abuse has occurred at this agency, it can be reported to the SAO by calling 1-800-892-8348 or at the SAO's website at <https://sao.texas.gov>. It can also be reported to the Agency Office of the Inspector General at 1-866-372-8329, the Agency Internal Audit Division at 936-437-7100, or Crime Stoppers at 1-800-832-8477.

SECTION F – DELIVERIES OR PERFORMANCE

F.1 CONTRACT TERM

The Contract Term will consist of a four-month Base Period and may be extended per Section F.2, Option to Extend the Term of the Contract, for four one-year Option Periods, at the Agency's discretion.

Base Period	May 1, 2025 through August 31, 2025
Option Period One	September 1, 2025 through August 31, 2026
Option Period Two	September 1, 2026 through August 31, 2027
Option Period Three	September 1, 2027 through August 31, 2028
Option Period Four	September 1, 2028 through August 31, 2029

F.2 OPTION TO RENEW THE CONTRACT

- A. The Agency may, at its sole discretion, issue a modification to renew the Contract for the Option Period provided the Agency gives the Contractor a written preliminary notice of its intent to renew at least 60 Days before the Contract expires.
- B. If a preliminary notice has not been provided to the Contractor at least 60 Days before the Contract expires, a modification to renew the Contract for the Option Period may be mutually agreed to by the parties and executed in writing with the authorized signatures.
- C. A preliminary notice to extend the Contract Term does not commit the Agency to an extension.
- D. If the Agency exercises this option, the renewed Contract shall be considered to include this option provision.

F.3 OPTION TO EXTEND SERVICES

- A. To address the immediate operational or service delivery needs, the Agency may require continued performance beyond the Contract Term, or any Option Period(s) exercised pursuant to Section F.2.
- B. The Agency may exercise an extension of Services under this Section for a maximum of eight months.
- C. Any extension made pursuant to this Section shall comply with the General Appropriations Act.

SECTION G – CONTRACT ADMINISTRATION DATA**G.1 CLAUSES INCORPORATED BY REFERENCE**

The Contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contract Specialist will make their full text available.

G.2 AUTHORITY – AUTHORIZED REPRESENTATIVE, CONTRACT SPECIALIST, PROGRAM SPECIALIST, AND PROGRAM DIRECTOR**G.2.1 Authorized Representative**

- A. In the case of the Contractor, its President, any Vice President, or designated senior management personnel, shall designate the Authorized Representative. The Contractor's Authorized Representative may designate other persons to assist such Authorized Representative in the performance of certain obligations required by the Contract. Such designation must be in writing to the Agency.
- B. In the case of the Agency, the Executive Director is hereby designated as its Authorized Representative. The Commissary and Trust Fund Director has been designated as the Authorized Representative to act on behalf of the Executive Director on all matters pertaining to the daily operations and management of the program and in compliance with the Contract. The Agency's Authorized Representatives may designate other persons to assist such Authorized Representatives in the performance of certain obligations of the Contract.
- C. At any time, any party may designate any person as its Authorized Representative by delivering to the other party a written designation signed, if on behalf of the Contractor, by its President, any Vice President, or designated senior management personnel, or if on behalf of the Agency, by the Executive Director. Such designations shall remain effective until new written instruments are filed with, or such notice is given to the other party that such designations have been revoked.
- D. The Agency's Authorized Representative (the Executive Director or his or her designated representative) is the only Person authorized to make or approve changes in any of the requirements of the Contract, and notwithstanding any clauses contained elsewhere in the Contract, the said authority remains solely with the Authorized Representative. In the event the Contractor makes any change at the direction of any person other than the Agency Authorized Representative, the change will be considered to have been made without authority and no adjustment will be made in the Contract price to cover any increase in cost incurred as a result thereof.

G.2.2 Contract Specialist

- A. The Contract Specialist for administration of the Contract is Tatyana Lockhart.
- B. The telephone number for the Contract Specialist is (936) 437-3806.
- C. The email address for the Contract Specialist is tatyana.lockhart@tdcj.texas.gov.

- D. The Contract Specialist is responsible for general administration of the Contract, negotiation of any changes and final issuance of written changes/modifications to the Contract. All requests by the Contractor to modify the Contract shall be made in writing to the Contract Specialist and a copy submitted to the Agency Project Manager.

G.2.3 Agency Project Manager (PM)

- A. The Agency PM for administration of this Contract is Karen Wisdom.
- B. The telephone number for the Agency PM is (281) 700-6124.
- C. The e-mail address for the Agency PM is karen.wisdom@tdcj.texas.gov.
- D. The Agency PM represents the Executive Director in the administration of the technical details within the scope of the Contract.
- E. The Agency PM is not authorized to make any representations or commitments of any kind on behalf of the Executive Director of the Agency or the State of Texas.
- F. The Agency PM does not have the authority to alter the Contractor's obligations or to change the Contract specifications, cost(s), terms, or conditions.
- G. If, as a result of technical discussions, it is desirable to modify the Contract obligations or the Statement of Work, changes will be issued in writing and signed by the Agency's Authorized Representative as described in Section G.2.1. The Contractor will be notified of any changes.

G.2.4 Contractor Project Manager (PM)

The Contractor shall provide a Project Manager for the Contract who shall be responsible for the overall management and coordination of the Contract and shall act as the central point of contact with the Agency. The PM shall have full authority to act for the Contractor in the performance of the required Services. The PM, or a designated representative, shall meet with the Agency PM to discuss problems as they occur.

G.3 INVOICE REQUIREMENTS

- A. Invoices will be processed in accordance with Texas Administrative Code Title 34, Part I, Chapter 20, Subchapter F, Division I, Rule §20.487 Invoicing Standards.
 - 1. A state agency must notify a vendor of an error or disputed amount in an invoice submitted for payment no later than the 21st Day after the agency received the invoice and shall include in such notice a detailed statement of the amount of the invoice which is disputed.
 - 2. A state agency may request payment for an invoice from the comptroller only after the state agency has:
 - a. Received, inspected, and accepted delivery of goods or services covered by the invoice; and

- b. Received and accepted a complete and accurate invoice.
3. The Contractor may submit invoices contingent on milestone completion following the Agency PM authorized acceptance of milestone completion and closure of all requests related to the milestone. The Contractor shall only invoice the Agency according to successful completion of each outlined task in Section C.6, Service Deliverables.
4. The awarded Contractor shall submit invoices for all milestones as described in Table 1, as the responsible party for any subcontracted Information Technology services. The Contractor shall only invoice the Agency according to successful completion of each outlined milestone in Section B.2, Pricing Schedule. Retainage of 10% will be held from each payment. The Contractor can invoice retainage upon the Agency PM authorized acceptance of project completion.

Table 1 – Invoicing for Deliverables	
Deliverable	Proposed Payment Schedule
Project Plan and Schedule	90% upon deliverable acceptance 10% retainage
Implementation Plan	90% upon deliverable acceptance 10% retainage
Analysis and Development - Gap Analysis	90% upon deliverable acceptance 10% retainage
Integration Plan	90% upon deliverable acceptance 10% retainage
Inmate Banking application configuration and integration test release including technical functional and Design documentation	90% upon deliverable acceptance 10% retainage
Warehouse Management application configuration and integration test release including technical functional and Design documentation	90% upon deliverable acceptance 10% retainage
Commissary application configuration and integration test release including technical functional and Design documentation	90% upon deliverable acceptance 10% retainage
Parole Fee Application configuration and integration test release including technical functional and Design documentation	90% upon deliverable acceptance 10% retainage
UAT Plan including Fix bug release and re-test support	90% upon deliverable acceptance 10% retainage
Training Materials and User Manuals and Train the Trainer	90% upon deliverable acceptance 10% retainage
Deployment to Production Environment and Final Acceptance	90% upon deliverable acceptance 10% retainage
Hardware Deployment	90% upon deliverable acceptance 10% retainage

Maintenance and Support to include hardware and software support	90% upon deliverable acceptance 10% retainage
Project Closure	Remaining retainage

5. The Agency shall make all payments in accordance with the Texas Prompt Payment Act, Government Code, and Chapter 2251. Payments under this Contract are subject to the availability of appropriated funds. The Contractor acknowledges and agrees that payments for services provided under this Contract are contingent upon the Agency's receipt of funds appropriated by the Texas Legislature.

B. The Contractor's Invoice shall include the following information:

1. Contractor name;
2. Invoice Number;
3. Invoice Date;
4. Contract Number;
5. Remittance/Payment Address;
6. Payee Identification Number (PIN);
7. Unit Name (All invoices to be Unit Specific);
8. Specific Line Item(s) per type of equipment with corresponding model and serial number;
9. Software license type and corresponding number, if applicable;
10. Prompt Payment Discount;
11. Retainage Amount; and
12. Supporting documentation.

C. Monthly Invoices shall be submitted electronically to the contacts listed below, no later than the fifth Working Day after the end of the preceding month:

Jessica Whitfield
jessica.whitfield@tdcj.texas.gov

Karen Wisdom
karen.wisdom@tdcj.texas.gov

D. The Contractor shall have 30 Days from receipt of Payment to submit a request for consideration to review any discrepancies or inaccuracies.

G.4 PAYMENTS

- A. It is recommended that the Contractor receive Payments via Electronic Funds Transfer (EFT), also known as Direct Deposit.
- B. Regardless as to whether Direct Deposit is chosen, upon Contract award the Contractor shall submit a completed Vendor Maintenance Direct Deposit and Substitute W-9 Form to the following address:

Texas Department of Criminal Justice
Attention: Accounts Payable
P.O. Box 4018
Huntsville, Texas 77342-4018

- C. If the Contractor has previously submitted a completed Vendor Maintenance Direct Deposit and Substitute W-9 Form to the Agency for another separate contract, another form is not required to be submitted.

The form and instructions can be found at the following link on the Agency's website:
https://www.tdcj.texas.gov/divisions/bfd/acct_accts_pay.html (Click on TDCJ Substitute W-9 Form).

- D. Payment is to be made monthly by the Agency to the Contractor after all Services are rendered and invoices with required reports have been submitted accurately and completely.
- E. Partial Payments may be made when the amount of the invoice is sufficient, in the opinion of the Agency, to justify processing the Payment.
- F. The Contractor shall have 30 Days from receipt of Payment to submit a request for consideration to review any discrepancies or inaccuracies.

G.4.1 Payment Adjustment

- A. The Agency may elect to deduct from its Monthly Contractor Payment as specified in Section G.4.4, any amount specified in Section C, Compliance Standards (Exhibit J.2), or any money determined to be due as specified under Section E.1.C.
- B. If it is determined the amount of Monthly Contractor Payment is not adequate to cover the money due to the Agency, then all Monthly Contractor Payments shall be withheld, and an invoice issued to the Contractor for the amount due.
- C. The Contractor shall be responsible to pay the invoiced amount within 30 Days of receipt unless the Contractor and the Agency mutually agree on an alternative Payment method.

G.4.2 Late Payment

Any amount owed to the Contractor more than one Day beyond the date such amount is due as described in Section G.3 hereof shall accrue interest each Day that such amount is not paid at the rate specified by Texas Government Code, Section 2251.025, provided,

however, that this provision shall not excuse failure by the Agency to make Payment in strict accordance with the Contract.

G.4.3 Deductions for Unacceptable Compliance Standards

- A. Compliance Standards and deductions are listed in Exhibit J.2 of the Contract.
- B. The Contractor's failure to meet the listed Compliance Standards shall result in a deduction to the Monthly Contractor Payment.

G.4.4 Withholding of Payment

- A. The Agency shall have the right to withhold Payment until the failures described below have been corrected:
 - 1. Failure to submit reports as required in Sections C and D.
 - 2. Failure to respond to audit reports as required in Section E.1.C.
 - 3. Failure to correct identified areas of non-compliance to the satisfaction of the Agency within 20 Days upon receipt of written notification.
- B. The Contractor agrees, the Agency shall not pay interest to the Contractor for monies so withheld.
- C. Payment withheld shall be released upon the Agency's satisfaction that compliance has been achieved for 30 Days.
- D. Except for disputed issues, such withholding of final Payment by the Agency shall not exceed 120 Days from the date of Contract termination.

G.4.5 Right to Offset

In the event the Agency determines that the Contractor owes money to the Agency under any contract or purchase order, the Agency, upon providing the Contractor with written notice of its intent to offset, shall have the right to withhold monies due to the Contractor with respect to the Contract or purchase order or with respect to any contract or purchase order with the Agency and apply such monies to the money due to the Agency.

SECTION H – SPECIAL CONTRACT REQUIREMENTS

H.1 INSURANCE REQUIREMENTS

- A. Prior to the approval of the Contract by the Agency, the Contractor shall procure, pay for, and maintain the following insurance written by companies approved by the State of Texas and acceptable to the Agency. It is recommended that coverage be with a company or companies having both, a Financial Strength Rating of “A” or better and Financial Size Category Class of “VII” or better from A.M. Best Company, Inc.
- B. The insurance shall be evidenced by delivery to the Agency of certificates of insurance executed by the insurer or its authorized agent stating coverage, limits, expiration dates and compliance with all applicable required provisions.
- C. The Agency shall be entitled to receive without expense, copies of the policies and all endorsements. Copies and changes to the initial insurance policies, including extensions, renewals, cancellations, and revisions shall be submitted to the Contract Specialist within 30 Days of the effective date.
- D. Subject to the Contractor’s right to maintain reasonable deductibles, the Contractor shall obtain and maintain in full force and effect for the duration of the Contract and any extension hereof, at the Contractor’s sole expense, the minimum insurance coverage in the following type(s) and amounts:
 - 1. **Workers' Compensation** with statutory limits; **Employers Liability** with minimum limits for bodily injury:
 - a. By accident, \$1,000,000 per each accident.
 - b. By disease, \$1,000,000 per employee with a per policy aggregate of \$1,000,000.
 - 2. **Commercial Automobile Liability Insurance** covering owned, hired, and non-owned vehicles, with a minimum combined bodily injury (including death) and property damage limit of \$1,000,000 per occurrence.
 - 3. **Commercial General Liability Insurance** including, but not limited to, Premises/Operations, Personal & Advertising Injury, Products/Completed Operations, Independent Contractors, and Contractual Liability with minimum combined bodily injury (including death) and property damage limits of \$2,000,000 per occurrence, and \$2,000,000 general aggregate.
 - a. Civil Rights Liability must be provided with the same liability limits. It may be included with the General Liability policy or written on a separate policy.
 - b. The Agency shall be named as an additional insured by using endorsement CG2026 or broader.
 - 4. **Professional Liability** (including Errors and Omissions) including coverage for the rendering of, or failure to render, professional services with minimum limits of \$1,000,000 per occurrence, \$3,000,000 annual aggregate.

5. **Commercial Crime Insurance** to cover losses from Employee Dishonesty with a minimum limit of \$1,000,000 per occurrence endorsed to cover third party property. The Agency must be a joint loss payee.
6. **Cybersecurity Insurance** to cover liability incurred by data security breaches, theft, dissemination, and/or use of personal or Confidential Information, with a limit of \$10,000,000.

NOTE: If the insurance above is written on a claims-made form, coverage shall be continuous (by renewal or extended reporting period) for not less than 60 months following completion of the Contract and acceptance by the Agency. Coverage, including any renewals, shall have the same retroactive date as the original policy applicable to the Contract.

H.1.1 Required Provisions

The Contractor agrees that with respect to the above required insurance, all insurance contracts and certificate(s) of insurance will contain and state, in writing, the following required provisions:

- A. Name the Agency and its officers, employees, and elected representatives as additional insured to all applicable coverages.
- B. Waive subrogation against the Agency, its officers, employees, and elected representatives for bodily injury (including death), property damage or any other loss, to all applicable coverages.
- C. Provide that the Contractor's insurance is the primary insurance in regard to the Agency, its officers, employees, and elected representatives.
- D. Provide that all provisions of the Contract concerning liability, duty, and standard of care, together with the indemnification provision, shall be underwritten by contractual liability coverage sufficient to include such obligations within applicable policies.
- E. Ensure that all certificates of insurance identify the Service or product being provided and the name of the responsible party.
- F. The Contractor, through an insurance agent licensed by the State of Texas, shall obtain all insurance coverage from an insurance company licensed to issue such coverage in this State shall provide such coverage. No "self-insurance" coverage shall be acceptable.
- G. All insurance coverage obtained by the Contractor shall continue in full force and effect during the Contract Term. No contract shall be entered into between the Contractor and the Agency unless insurance coverage binders are received by the date scheduled for the execution of the contract. Proof of insurance policies must be delivered prior to the Service Commencement Date.
- H. The Contractor may choose the amount of the deductible for any insurance coverage required in Section H.1.D, but in no event shall such deductible for each occurrence exceed 5% of the required yearly aggregate limit of coverage.

- I. The Contractor is responsible for the first dollar defense coverage. All general liability and professional liability policies shall provide defense in addition to the policy limits.
- J. The minimum limits are not to be construed as the maximum limits. The Contractor may obtain additional coverage for their own benefit.
- K. With respect to the total limits of liability required, any combination of primary and/or umbrella coverage may satisfy those totals; however, if an umbrella is used, coverage must be at least as broad as the primary coverage.

H.2 SUBCONTRACTORS

- A. The Contractor may subcontract for the performance of any of its responsibilities to provide Services pursuant to the Contract.
- B. No subcontract may be entered into unless the Agency provides prior written approval, which approval may not be unreasonably withheld.
- C. If a subcontractor is deemed to be needed for an event of an emergency nature, verbal approval may be obtained through an Authorized Agency Representative. The Contractor shall submit a written request with supporting documentation for approval by the Agency as soon as possible.
- D. The Contractor shall furnish to the Agency copies of all subcontracts, without regard to the number of annual payments.
- E. Any arrangement by the Contractor with an affiliate or member company to provide Services for the Contract shall be subject to the subcontractor provisions of this Section.
- F. No contractual relationship shall exist between the Agency and any subcontractor, and the Agency shall accept no responsibility whatsoever for the conduct, actions, or omissions of any subcontractor selected by the Contractor.
- G. The Contractor shall be responsible for the management of the subcontractors in the performance of their work.
- H. A subcontractor may not work directly with the Agency in any manner and shall not be included in Contract negotiations, renewals, audits, or any other discussions except at the request of the Agency.
- I. Unless waived in writing by the Agency, the subcontract shall contain the following:
 - 1. An acknowledgement that the subcontract is subject to the Contract between the Agency and the Contractor (the "Master Contract").
 - 2. The subcontractor shall agree to comply with the terms of the Master Contract to the extent applicable with respect to goods and Services being provided under the subcontract. It is the intention of the parties of the subcontract that the subcontractor shall "stand in the shoes" of the Contractor with respect to fulfilling the duties and obligations of the Contractor to the Agency under the Master Contract.

3. The Agency's approval of a subcontract does not relieve the Contractor of its duty to perform under the Master Contract.
4. The Agency shall be deemed a "third-party beneficiary" to the subcontract.
5. The subcontract shall contain the required Authority to Audit Clause referenced in TDCJ Required Contract Clauses, and the required Non-Discrimination Clause referenced in Section I.9.

H.2.1 Insurance

The Contractor shall require all subcontractors to obtain, maintain, and keep in force insurance coverage in accordance with accepted industry standards and the Contract during the time they are engaged hereunder.

H.2.2 Historically Underutilized Business (HUB)

- A. The Contractor shall make a good faith effort to award subcontracts to HUBs in accordance with Texas Government Code, Sections 2161.181 and 2161.252(b), and Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter D, Division 1, Rule 20.285. Pursuant to these rules, the Offeror shall submit a HUB Subcontracting Plan (HSP) (Exhibit J.2) as part of the offer. An HSP is required even if the Contractor will not subcontract any of the Services.
- B. The Contractor shall seek written approval from the Agency prior to making any modifications to its HSP.
- C. The Prime Contractor Progress Assessment Report (PAR) (Exhibit J.3) shall be submitted to the Contract Specialist listed in Section G.2.2 by the fifth Day of the following month, regardless if subcontractors are not utilized or there is no subcontracting.
- D. If subcontractors are utilized, corresponding invoices must be attached to the PAR to validate the amount paid to the subcontractor(s) for that period.
- E. During the term of the Contract, the Agency shall monitor the Contractor's subcontracting activity by reviewing the PAR to determine if it complies with the HSP.
- F. The PAR shall be a condition for payment of the prime Contractor's invoice.

H.3 TRANSITION

- A. The Contractor shall provide detailed procedures to be accomplished upon termination of this Contract and transition to the Agency's management or management by a third party.
- B. Upon termination of the Contract, the Contractor agrees to work with the Agency under the Agency's management supervision for a period of 60 Days prior to the expiration of the Contract, to ensure the orderly transfer and efficient transition from current Contractor management to either Agency's management or management by a third party of the service.

- C. During this transition period, the Contractor shall transfer all Inmate records to the Agency if requested to do so by the Agency.

H.4 CRIMINAL HISTORY INFORMATION COMPLIANCE

The parties hereto acknowledge and agree that for the Contractor to perform the Services contemplated herein, the Agency may have to provide the Contractor with, or the Contractor may have access to, certain information regarding Inmates and former Inmates known as "criminal history information." Criminal history information means information collected about a person by a criminal justice agency that consists of identifiable descriptions and notations of arrests, detentions, indictments, information and other formal criminal charges and their dispositions. The term does not include information as to convictions, fingerprint information, and driving records. In the event the Agency provides the Contractor with criminal history information, the Contractor agrees to comply with the confidentiality requirements of all applicable federal and state laws including Texas Government Code, Section 411.083; and the FBI Criminal Justice Information Services (CJIS) Security Policy. More specifically, the Contractor agrees and acknowledges as follows:

- A. The Agency hereby specifically authorizes that the Contractor may have access to criminal justice history to the extent such access is necessary or appropriate to enable the Contractor to perform the Services contemplated herein.
- B. The Contractor agrees to limit the use of such criminal justice information for the purposes set to herein.
- C. The Contractor agrees to maintain the confidentiality and security of the criminal justice history information in compliance with federal and state statutes, rules, and regulations, and return or destroy such information when it is no longer needed to perform the Services contemplated herein.
- D. If the Contractor's employee(s) fails to comply with the terms hereof, the Contractor shall take corrective action with the employee(s). Such corrective action must be acceptable to the Agency. An intentional or knowing violation may also result in civil and criminal violations under federal and state laws. Additionally, the Contractor shall submit for the Agency's approval, the Contractor's corrective action plan to ensure full compliance with the terms hereof. Until such time as the corrective action plan is approved by the Agency, the Contractor shall not be authorized to fill any vacant positions unless special authorization is granted in writing by the Agency, which authorization shall not be unreasonably withheld.

H.5 OTHER CONFIDENTIAL OR SENSITIVE INFORMATION

- A. The parties hereto acknowledge and agree for the Contractor to perform the Services contemplated herein, the Agency may have to provide the Contractor with, or the Contractor may have access to, certain information, other than criminal history information, that is confidential pursuant to federal or state laws, rules, or regulations, or that is personal information considered to be "sensitive." The Contractor agrees such confidential or sensitive information shall only be used for the purpose of performing Services contemplated herein. Such information shall not be disclosed, copied, or transmitted for any purpose other than for the performance of Services contemplated herein.

- B. If the Contractor's employee(s) fails to comply with the terms hereof, the Contractor shall take corrective action with the employee(s). Such corrective action must be acceptable to the Agency. An intentional or knowing violation may also result in civil and criminal violations under federal and state laws. Additionally, the Contractor shall submit for the Agency's approval, the Contractor's corrective action plan to ensure full compliance with the terms hereof. Until such time as the corrective action plan is approved by the Agency, the Contractor shall not be authorized to fill any vacant positions unless special authorization is granted in writing by the Agency which authorization shall not be unreasonably withheld.

H.6 BOOKS AND RECORDS

The Contractor shall retain all financial records, including supporting documents, statistical records, and any other records or books, relating to the Contractor's performance under the Contract. These records must be maintained in accordance with the TDCJ Records Retention Schedule. The Contractor will grant access to all books, records, and documents pertinent to the Contract to the Agency, SAO, and any federal governmental entity that has authority to review records due to federal funds being spent under the Contract.

H.7 ORGANIZATIONAL AND NAME CHANGE

The Contractor shall submit written notification to the Agency within 30 Days of any changes in the Contractor's name, address, telephone number, and/or email address with an effective date of such change. For changes in the Contractor's name, a letter is required on original Contractor letterhead, explaining the circumstances of the name change and the new name. The letter should be signed by the Authorized Representative, its President, or any Vice President, showing the change and the effective date of the change. The Contractor shall submit to the Agency a copy of any registration "to do business as," "DBA," or "also known as," "AKA," and any legal corporate name change filed with the Secretary of State.

H.8 FREE EXERCISE OF RELIGION

The Contractor is prohibited from substantially burdening an employee's or Inmate's free exercise of religion.

H.9 DELAY OF SERVICES

The Contractor shall meet its obligations to commence Services within the time frames defined by the Contract. In the event the Contractor fails to meet those time frames as defined by the Contract, absent extensions from the Agency, the Agency will have the right to obtain the Services from another source and charge the cost thereof to the Contractor for each Day that Services are not performed due to delays caused by the Contractor's non-performance. The Agency will provide written notification to the Contractor by certified mail, return receipt requested, of the charges which will include the date of imposition and the amount that has accrued daily as of the date of the notification.

H.10 SECURITY

If Services are to be performed on an Agency secured facility, the Contractor's employees and representatives, vehicles, and equipment must be always under security surveillance and are subject to inspection at any time while on State property. The Contractor agrees to abide by all Agency Policies and Unit rules and regulations. These rules, in part, prohibit the introduction of alcohol, narcotics, weapons, gambling paraphernalia, pagers, and cell phones to any State property. This includes having these items in personal vehicles of on-site employees. The Contractor's employees may not carry more than \$25.00 in cash into any Agency Facility. Tobacco products are strictly prohibited on Agency Facilities but are allowed in the personal vehicles of on-site employees or in designated smoking areas. All vehicles must be kept locked when not in use and the Contractor's employees must stay with the vehicle when it is unlocked.

SECTION I – CONTRACT CLAUSES**I.1 ADVERTISING OF AWARD**

The Contractor agrees not to refer to awards in commercial advertising in such a manner as to state or imply that the product(s) or service(s) provided are endorsed or preferred by the Agency or is considered by the Agency to be superior to other products or services.

I.2 DEFAULT AND TERMINATION**I.2.1 Default by the Contractor**

Each of the following shall constitute an Event of Default on the part of the Contractor:

- A. A Material Failure to keep, observe, perform, meet, or comply with any covenant, agreement, term, or provision of the Contract to be kept, observed, met, performed, or complied with by the Contractor hereunder, when such failure continues for a period of 20 Days after the Contractor's receipt of written notice thereof.
- B. A Material Failure to meet or comply with Agency Policy, Court Order, or federal or state requirement or law, when such failure continues for a period of 20 Days after the Contractor's receipt of written notice thereof.
- C. A Material Failure to comply with any Agency Policy for which the Contractor has been expressly required to comply with and for which the Contractor has not received a prior written waiver from the Agency when such failure continues for a period of 20 Days after the Contractor's receipt of written notice thereof.
- D. Insolvency of the Contractor as evidenced by any of the following occurrences:
 - 1. Its inability to pay its debts.
 - 2. Any general assignment for the benefit of creditors.
 - 3. Any decree or order appointing a receiver or trustee for it or substantially all its property to be entered and, if entered without its consent, not to be stayed or discharged within 60 Days.
 - 4. Any proceedings under any law relating to bankruptcy, insolvency, or the reorganization or relief of debtors to be instituted by or against it and, if contested by it, not to be dismissed or stayed within 60 Days.
 - 5. Any judgment, writ of attachment or execution, or any similar process to be issued or levied against a substantial part of its property which is not released, stayed, bonded, or vacated within 60 Days after issue or levy.
- E. The discovery by the Agency that any statement, representation, or warranty in the Contract is false, misleading, or erroneous in any material respect. A failure by the Contractor to comply with contractual terms and conditions, resulting in a breach of security or health and safety standards. This Event of Default may result in the immediate termination of the Contract.

I.2.2 Further Opportunity to Cure

- A. If an Event of Default of any type specified in Section I.2.1 occurs and the Contractor reasonably believes that it cannot be cured within the 20 Days allowed in Section I.2.1 but that such Event of Default can be cured through a diligent, on-going, and conscientious effort on the part of the Contractor, within a reasonable period not to exceed three months, then the Contractor may, within the 20 Day cure period, submit a detailed plan for curing the Event of Default to the Agency.
- B. Upon receipt of any such plan for curing an Event of Default, the Agency shall promptly review such plan, and, at its discretion, which must be reasonable in the circumstances, may allow or may not allow the Contractor to pursue such plan of cure.
- C. The decision of the Agency will be communicated in writing to the Contractor.
- D. The Agency agrees that it will not exercise its remedies thereunder with respect to such Event of Default for so long as the Contractor diligently, conscientiously, and timely undertakes to cure the Event of Default in accordance with the approved plan.
- E. If the Agency does not allow the Contractor an extension of the cure period, the 20 Days shall be tolled during the period of time the request is pending before the Agency.

I.2.3 Remedy of the Agency

When an Event of Default by the Contractor has been determined to exist, the Agency's Authorized Representative will notify the Contractor in writing of such Event of Default, and subject to the provisions of Section I.2.2, the Agency will have the right to pursue any remedy it may have by law or in equity including, but not limited to:

- A. Reducing its claim to a judgment.
- B. Taking action to cure the Event of Default, in which case the Agency may offset against any payments owed to the Contractor all reasonable costs incurred by the Agency in connection with its efforts to cure such Event of Default.
- C. Withholding of funds as authorized in Section G.4.4.
- D. Exercising a Termination for Default.
 - 1. In the event of Termination for Default the Agency shall offset against Payments owed to the Contractor any reasonable amounts expended by the Agency to cure the Event of Default.
 - 2. The Agency will have no further obligations to the Contractor after such termination.
 - 3. The Agency may also acquire, in the manner the Agency considers appropriate, services similar to those terminated and the Contractor will be liable to the Agency for any increase in costs for those services.

I.2.4 Termination for Convenience

The Agency may, at its sole discretion, terminate the Contract with or without cause, by providing the Contractor with 60 Days prior written notice of such termination.

I.2.5 Termination by Mutual Agreement

The parties may terminate the Contract by mutual agreement, the terms of which shall be set forth in writing.

I.2.6 Termination Procedures

A. Upon Termination for Default, Termination for Convenience, Termination by Mutual Agreement, as heretofore mentioned, or Termination for Excess Obligations (Exhibit J.1.X), the following procedures will be adhered to:

1. The Agency will immediately notify the Contractor in writing specifying the effective termination date.
2. After receipt of the Notice of Termination, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due at that point in the Contract:
 - a. Place no further subcontracts or orders in support of the Contract;
 - b. Terminate all subcontracts; and
 - c. Cancel all orders as applicable.

B. Upon termination, the Contractor shall be entitled to receive from the Agency Payment for all Services satisfactorily furnished under the Contract up to and including the date of termination. Claims submitted after 180 Days from the date of termination will not be considered.

I.2.7 Default by the Agency

Each of the following shall constitute an Event of Default on the part of the Agency if not cured by the Agency within 20 Days after receiving written notice thereof:

- A. Failure by the Agency to observe and perform any material covenant, condition, or agreement on its part to be observed or performed; or
- B. Its failure or refusal to substantially fulfill any of its material obligations hereunder, unless caused by the default of the Contractor.

I.2.8 Remedy of the Contractor

Upon an Event of Default by the Agency, the Contractor's sole remedy shall be to follow the Dispute Resolution Process in TDCJ Required Contract Clauses.

I.3 NO WAIVER OF RIGHTS

- A. No failure on the part of any party to exercise, and no delay in exercising, and no course of dealing with respect to any right hereunder shall operate as a waiver thereof; nor shall any single or partial exercise of any right hereunder preclude any other or further exercise thereof or in the exercise of any other right.
- B. The remedies provided in the Contract are cumulative and non-exclusive of any remedies provided by law or in equity, except as expressly set forth herein.

I.4 TAXES/WORKERS' COMPENSATION/UNEMPLOYMENT INSURANCE – INCLUDING INDEMNITY

- A. THE CONTRACTOR AGREES AND ACKNOWLEDGES THAT DURING THE EXISTENCE OF THE CONTRACT, THE CONTRACTOR SHALL BE ENTIRELY RESPONSIBLE FOR THE LIABILITY AND PAYMENT OF THE CONTRACTOR'S AND THE CONTRACTOR'S EMPLOYEES' TAXES OF WHATEVER KIND, ARISING OUT OF THE PERFORMANCES IN THE CONTRACT. THE CONTRACTOR AGREES TO COMPLY WITH ALL STATE AND FEDERAL LAWS APPLICABLE TO ANY SUCH PERSONS, INCLUDING LAWS REGARDING WAGES, TAXES, INSURANCE, AND WORKERS' COMPENSATION. THE AGENCY AND/OR THE STATE SHALL NOT BE LIABLE TO THE CONTRACTOR, ITS EMPLOYEES, AGENTS, OR OTHERS FOR THE PAYMENT OF TAXES OR THE PROVISION OF UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION OR ANY BENEFIT AVAILABLE TO A STATE EMPLOYEE OR EMPLOYEE OF ANOTHER GOVERNMENTAL ENTITY CUSTOMER.
- B. THE CONTRACTOR AGREES TO INDEMNIFY AND HOLD HARMLESS THE AGENCY, THE TBCJ, THE STATE OF TEXAS AND/OR THEIR EMPLOYEES, AGENTS, REPRESENTATIVES, CONTRACTORS, AND/OR ASSIGNEES FROM ANY AND ALL LIABILITY, ACTIONS, CLAIMS, DEMANDS, OR SUITS, AND ALL RELATED COSTS, ATTORNEYS' FEES, AND EXPENSES, RELATING TO TAX LIABILITY, UNEMPLOYMENT INSURANCE AND/OR WORKERS' COMPENSATION IN ITS PERFORMANCE UNDER THE CONTRACT. THE CONTRACTOR SHALL BE LIABLE TO PAY ALL COSTS OF DEFENSE INCLUDING ATTORNEYS' FEES. THE DEFENSE SHALL BE COORDINATED BY THE CONTRACTOR WITH THE OFFICE OF THE ATTORNEY GENERAL WHEN TEXAS STATE AGENCIES ARE NAMED DEFENDANTS IN ANY LAWSUIT AND THE CONTRACTOR MAY NOT AGREE TO ANY SETTLEMENT WITHOUT FIRST OBTAINING THE CONCURRENCE FROM THE OFFICE OF THE ATTORNEY GENERAL. THE CONTRACTOR AND THE AGENCY AGREE TO FURNISH TIMELY WRITTEN NOTICE TO EACH OTHER OF ANY SUCH CLAIM.

I.5 NO WAIVER OF DEFENSES

- A. Neither the Agency nor the Contractor shall waive, release, or otherwise forfeit any possible defense the Agency or the Contractor may have regarding claims arising from or made in connection with the performance of the services by the Contractor without the consent of the other party.
- B. The Agency and the Contractor shall reserve all such available defenses and cooperate with each other to make such defenses available for each other's benefit to the maximum extent allowed by law, including any defenses the Agency may have

regarding litigation, losses and costs resulting from claims or litigation pending at the time the Contract becomes effective, or arising thereafter from occurrences prior to the effective date hereof.

I.6 INDEPENDENT CONTRACTOR

- A. The Contractor is associated with the Agency only for the purposes and to the extent set forth herein, and with respect to the performance of services hereunder, the Contractor is and shall be an independent contractor and shall have the sole right to supervise, manage, operate, control, and direct the performance of the detail's incident to its duties hereunder.
- B. Nothing contained herein shall be deemed or construed to create a partnership or joint venture, to create the relationships of an employer-employee or principal-agent, or to otherwise create any liability for the Agency whatsoever with respect to the indebtedness, liabilities, and obligations of the Contractor or any other party.
- C. The Contractor shall be solely responsible for (and the Agency shall have no obligation with respect to) payment of all Federal Income, FICA, and other taxes owed or claimed to be owed by the Contractor, arising out of the Contractor's association with the Agency pursuant hereto, and the Contractor shall indemnify and hold the Agency harmless from and against any and all liability from all losses, damages, claims, costs, penalties, liabilities, and expenses howsoever arising or incurred because of, incident to, or otherwise with respect to any such taxes.

I.7 MAINTENANCE OF CORPORATE EXISTENCE AND BUSINESS

- A. The Contractor, if incorporated, shall always maintain its corporate existence and authority to transact business and be in good standing in its jurisdiction of incorporation and the State of Texas.
- B. The Contractor shall maintain all licenses, permits and franchises necessary for its businesses where the failure to do so might have a material adverse effect on its ability to perform its obligations under the Contract.

I.8 APPROVAL OF CONTRACT

- A. The Contract is subject to written approval of the Agency's Authorized Representative as described in Section G.2.1 and shall not be binding until so approved.
- B. For Contracts valued over \$1,000,000 in the initial Contract Term, the Executive Director's, or his or her designated representative's, approval shall be given only upon the approval of the TBCJ.

I.9 NON-DISCRIMINATION

In the performance of the Contract, the Contractor warrants that it shall not discriminate against any employee, subcontractor, Inmate, or provider on account of race, color, disability or perceived disability, religion, sex, national origin, genetic information, or age, and in accordance with the following:

- A. The Contractor shall not discriminate against employees, subcontractors, participants, or providers who have or are perceived to have a disability because of AIDS or HIV

- infection, antibodies to HIV, or infection with any other probable causative agent of AIDS. The Contractor shall post notices setting forth the provisions of this Non-Discrimination Clause in conspicuous places, available to employees and applicants for employment.
- B. In all solicitations or advertisements for employees and/or the purchase of services, the Contractor shall state that it is an equal opportunity employer; however, provided that notices, advertisements, and solicitations placed in accordance with federal law, rule or regulation shall be deemed sufficient for the purpose of meeting this requirement.
- C. The Contractor shall include the provisions of the foregoing paragraphs in every subcontract so that such provisions shall be binding upon each subcontractor or vendor.

I.10 CONFIDENTIALITY

Any Confidential Information provided to or developed by the Contractor in the performance of the Contract shall be kept confidential unless otherwise provided by law and shall not be made available to any individual or organization by the Contractor or the Agency without prior approval of the other party.

I.11 CONTRACT CHANGES

- A. Changes/modifications to the Contract (except Contract extensions in accordance with Sections F.2 and F.3; administrative changes, such as changing the Contract Specialist designation or correcting typographical errors; or other unilateral changes discussed elsewhere in the Contract) shall be mutually agreed to by the parties and executed in writing with the authorized signatures.
- B. The Agency, at its sole discretion, may revise funding during the Contract by issuing a unilateral modification.

I.12 SEVERABILITY

If any provision of the Contract is later determined to be invalid, void, or unenforceable, then the remaining terms, provisions, covenants, and conditions of the Contract shall remain in full force and effect, and shall in no way be affected, impaired, or invalidated.

I.13 IMMIGRATION

The Contractor represents and warrants that it will comply with the requirements of the Immigration and Nationality Act (8 U.S.C. Section 1101 et seq.) and all subsequent immigration laws and amendments.

I.14 NO LIABILITY UPON TERMINATION

If the Contract is terminated for any reason, the Agency and the State of Texas shall not be liable to the Contractor for any damages, claims, losses, or any other amounts arising from or related to any such termination; however, the Contractor may be entitled to the remedies established in TDCJ Required Contract Clauses.

I.15 LIMITATION ON AUTHORITY

The Contractor shall have no authority to act for or on behalf of the Agency or the State of Texas except as expressly provided for in the Contract; no other authority, power or use is granted or implied. The Contractor may not incur any debts, obligations, expenses, or liabilities of any kind on behalf of the State of Texas or the Agency.

I.16 INTELLECTUAL PROPERTY INDEMNIFICATION

A. THE CONTRACTOR WILL INDEMNIFY, DEFEND, AND HOLD HARMLESS THE STATE OF TEXAS AND THE AGENCY AGAINST ANY ACTION OR CLAIM BROUGHT AGAINST THE STATE OF TEXAS AND/OR THE AGENCY THAT IS BASED ON A CLAIM THAT SOFTWARE INFRINGES ANY PATENT RIGHTS, COPYRIGHT RIGHTS OR INCORPORATED MISAPPROPRIATED TRADE SECRETS. THE CONTRACTOR WILL PAY ANY DAMAGES ATTRIBUTABLE TO SUCH CLAIM THAT ARE AWARDED AGAINST THE STATE OF TEXAS AND/OR THE AGENCY IN A JUDGEMENT OR SETTLEMENT.

B. IF THE AGENCY'S USE OF THE SOFTWARE BECOMES SUBJECT TO A CLAIM, OR IS LIKELY TO BECOME SUBJECT TO A CLAIM, IN THE SOLE OPINION OF THE AGENCY, THE CONTRACTOR SHALL, AT ITS SOLE EXPENSE: (1) PROCURE FOR THE AGENCY THE RIGHT TO CONTINUE USING SUCH SOFTWARE UNDER THE TERMS OF THE CONTRACT; OR (2) REPLACE OR MODIFY THE SOFTWARE SO THAT IT IS NON-INFRINGEMENT.

I.17 ELECTRONIC AND INFORMATION RESOURCES ACCESSIBILITY STANDARDS, AS REQUIRED BY TEXAS ADMINISTRATIVE CODE, TITLE 1, PART 10, CHAPTER 213

A. Effective September 1, 2006, State Agencies and Institutions of Higher Education shall procure products which comply with the State of Texas Accessibility requirements for Electronic and Information Resources specified in Texas Administrative Code, Title 1, Part 10, Chapter 213, when such products are available in the commercial marketplace or when such products are developed in response to a procurement solicitation.

B. The Contractor shall provide the Agency with the URL to its Voluntary Product Accessibility Template (VPAT) for reviewing compliance with the State of Texas Accessibility requirements (based on the federal standards established under the Rehabilitation Act, Section 508), or indicate that the product/services accessibility information is available from the General Services Administration Accessibility Requirements Tool (ART) (<https://www.section508.gov/art/#/>). Contractors not listed with ART or supplying a URL to their VPAT must provide the Agency with a report that addresses the same accessibility criteria in substantively the same format. Additional information regarding ART or obtaining a copy of the VPAT is located at <https://www.section508.gov/>.

I.18 RIGHTS TO DATA, DOCUMENTS AND COMPUTER SOFTWARE (STATE OWNERSHIP)

A. Any software, research, reports, studies, data, photographs, negatives or other documents, drawings or materials prepared by the Contractor in the performance of its obligations under the Contract shall be the exclusive property of the State of Texas and all such materials shall be delivered to the Agency by the Contractor upon

completion, termination, or cancellation of the Contract. The Contractor may, at its own expense, keep copies of all its writings for its personal files. The Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than the performance of the Contractor's obligations under the Contract without the prior written consent of the Agency; provided, however, that the Contractor shall be allowed to use non-confidential materials for writing samples in pursuit of the work. The ownership rights described herein shall include, but not be limited to, the right to copy, publish, display, transfer, prepare derivative works, or otherwise use the works.

- B. In accordance with the Texas Government Code, Section 2054.138, the Contractor certifies that it will comply with the security controls required under the Contract and will maintain records and make them available to the Agency as evidence of the Contractor's compliance with the required controls.

I.19 FORCE MAJEURE

- A. Neither the Contractor nor the Agency shall be liable to the other for any delay in, or failure of performance, of any requirement included in the Contract caused by force majeure. The existence of such causes of delay or failure shall extend the period of performance until after the causes of delay or failure have been removed provided the non-performing party exercises all reasonable due diligence to perform.
- B. Force majeure is defined as acts of God, war, fires, explosions, hurricanes, floods, failure of transportation, epidemics, or other causes that are beyond the reasonable control of either party and that by exercise of due foresight such party could not reasonably have been expected to avoid, and which, by the exercise of all reasonable due diligence, such party is unable to overcome.
- C. Each party must inform the other in writing, with proof of receipt, within three Working Days of the existence of such force majeure, or otherwise waive this right as a defense.

I.20 NOTICES

- A. Any written notices required under the Contract will be delivered by email or by courier service to the Contractor's office or email address specified on the Contract Award page.
- B. Notices to the Agency shall be sent to the Agency's Contract Specialist as listed in Section G.2.2.
- C. Notices will be effective upon receipt by the affected party. Either party may change the designated notice address in this Section by written notification to the other party. This change shall be incorporated with a unilateral modification.

I.21 SUBSTITUTIONS

Substitutions are not permitted without written approval of the Agency.

SECTION J – LIST OF EXHIBITS

EXHIBIT NO.	TITLE	NUMBER OF PAGES
J.1	TDCJ Required Contract Clauses	7
J.2	Compliance Standards	2
J.3	Historically Underutilized Business (HUB) Subcontracting Plan	11
J.4	Location and Workstation Count	5
J.5	TDCJ Data Management Office Standard Data Requirements	5
J.6	No-Collusion Affidavit	1
J.7	TDCJ OCISO Terms and Conditions	2

SECTION K – REPRESENTATIONS, CERTIFICATIONS, AND OTHER STATEMENTS OF OFFERORS

K.1 HISTORICALLY UNDERUTILIZED BUSINESS (HUB) REPRESENTATION

K.1.1 Definition

A. HUB is defined an entity with its principal place of business in this State that is:

1. A corporation formed for the purpose of making a profit in which 51% or more of all classes of the shares of stock or other equitable securities are owned by one or more Economically Disadvantaged Persons who have a proportionate interest and actively participate in the corporation's control, operation, and management.
2. A sole proprietorship created for the purpose of making a profit that is completely owned, operated, and controlled by an Economically Disadvantaged Person.
3. A partnership formed for the purpose of making a profit in which 51% or more of the assets and interest in the partnership are owned by one or more Economically Disadvantaged Persons who have a proportionate interest and actively participate in the partnership's control, operation, and management.
4. A joint venture in which each entity in the venture is a HUB, as determined under another paragraph of this subdivision; or
5. A supplier contract between a HUB as determined under another paragraph of this subdivision and a Offeror (prime contractor) under which the HUB is directly involved in the manufacture or distribution of the goods or otherwise warehouses and ships the goods.

B. Economically disadvantaged individuals are **socially disadvantaged individuals whose ability to compete in the free enterprise system has been impaired due to diminished capital and credit opportunities** as compared to others in the same or similar line of business who are not socially disadvantaged.

K.2 FRANCHISE TAX REPRESENTATION

The Offeror represents and certifies, as part of its offer that it is not currently delinquent in the payment of any franchise tax owed the State of Texas.

K.3 REPRESENTATIONS OF THE OFFEROR

The Offeror represents and warrants to and for the benefit of the Agency, with the intent that the Agency will rely thereon for the purposes of entering into the Contract, as follows:

K.3.1 Organization and Qualification

If the Offeror operates as a corporation incorporated under the laws of any state outside Texas, it is duly qualified to do business as a foreign corporation in good standing in Texas.

K.3.2 Authorization

If the Contract has been duly authorized, executed and delivered by the Offeror and, assuming due execution and delivery by the Agency, then it constitutes a legal, valid, and binding agreement enforceable against the Offeror in accordance with its terms.

K.3.3 No Violation of Agreements, Articles of Incorporation or Bylaws

The consummation of the transactions contemplated by the Contract and the fulfillment of the terms hereof will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under any indenture, mortgage, deed of trust, lease, loan agreement, license, security agreement, contract, governmental license or permit or other agreement or instrument to which the Offeror is a party or by which its properties are bound, or any order, rule or regulation of any court or any regulatory body, administrative agency or other governmental body applicable to the Offeror or any of its properties, except any such conflict, breach, or default which would not materially and adversely affect the Offeror's ability to perform its obligations under the Contract, and will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under, the Articles of Incorporation (or other corresponding charter document) or Bylaws of the Offeror.

K.3.4 No Defaults under Agreements

The Offeror is not in default, nor is there any event in existence which, with notice or the passage of time or both, would constitute a default by the Offeror under any indenture, mortgage, deed of trust, lease, loan agreement, license, security agreement, contract, governmental license or permit or other agreement or instrument to which it is a party or by which any of its properties are bound and which default would materially and adversely affect the Offeror's ability to perform its obligations under the Contract.

K.3.5 Compliance with Laws

Neither the Offeror nor its officers and directors purporting to act on its behalf have been advised or have reason to believe that the Offeror or such officers and directors have not been conducting business in compliance with all applicable laws, rules and regulations of the jurisdictions in which the Offeror is conducting business, including all safety laws and laws with respect to discrimination in hiring, promotion or pay of employees or other laws affecting employees generally, except where failure to be in compliance would not materially and adversely affect the Offeror's ability to perform its obligations under the Contract.

K.3.6 No Litigation

A. The Offeror certifies there is not now pending, or to its knowledge threatened, any action, suit or proceeding to which the Offeror, or any of its employees, are a party, before or by any court or governmental agency or body, which may result in any material adverse change in the Offeror's ability to perform its obligations under the Contract, or any such action, suit or proceeding related to environmental or civil rights matters.

- B. The Offeror further certifies that no labor disturbance by the employees of the Offeror exists or is imminent which may be expected to materially and adversely affect the Offeror's ability to perform its obligations under the Contract.
- C. Prior to the Agency making an award of the Contract, the Agency may require the Offerors being considered for the award to recertify the representations set forth above. The Agency, in its sole discretion, may disqualify any Offeror in the opinion of the Agency is a party, or who has any employees that are a party, to any action, suit or proceeding which may result in any material adverse change in the Offeror's ability to perform its obligations under the Contract.
- D. During the term of the Contract, the Offeror shall notify the Agency in writing within five Days of the Offeror having received knowledge of any actions, suits or proceedings filed against the Offeror, or any of its employees, or to which the Offeror, or any of its employees, are a party, before or by any court or governmental agency or body, which:
 - 1. May result in any material adverse change in the Offeror's ability to perform its obligations under the Contract;
 - 2. Filed in any federal court, state court, or federal or state administrative hearing within the State of Texas regardless as to any anticipated material adverse change in the Offeror's ability to perform its obligations under the Contract; and
 - 3. Is brought by or on behalf of a State of Texas Inmate regardless as to any anticipated material adverse change in the Offeror's ability to perform its obligations under the Contract.
- E. The Contractor shall provide in writing, to the Contract Specialist, a quarterly report listing litigation identified in the above requirements.

K.3.7 Taxes

- A. The Offeror has filed all necessary federal, state, and foreign income and franchise tax returns and has paid all taxes as shown to be due thereon.
- B. The Offeror has no knowledge of any tax deficiency which has been or might be asserted against it and which would materially and adversely affect the Offeror's ability to perform its obligations under the Contract.
- C. The Offeror represents and warrants that it shall pay all taxes or similar amounts resulting from the Contract, including, but not limited to, any federal, state, or local income, sales, or excise taxes of the Contractor or its employees.

K.3.8 Financial Statements

- A. The Offeror shall provide to the Agency a copy of its most recent financial report. This report must include any of the following financial information:
 - 1. Balance sheet;
 - 2. Statement of income; and

3. Any changes in financial position of the company.
- B. This statement fairly presents the financial position of the Offeror on the date shown and the results of its operations for the period covered and has been prepared in conformity with Generally Accepted Accounting Principles applied on a consistent basis, except as discussed in the notes to the financial statement.

K.3.9 No Adverse Change

Since the date of the Offeror's most recent balance sheet provided to the Agency, there has not been any material adverse change in its business or condition nor has there been any change in the assets or liabilities or financial condition of the Offeror from that reflected in such balance sheet which is material to the Offeror's ability to perform its obligations under the Contract.

K.3.10 Disclosure

There is no material fact which materially and adversely affects or in the future will (so far as the Offeror can now reasonably foresee) materially and adversely affect its ability to perform its obligations under the Contract which has not been accurately set forth in the Contract or otherwise accurately disclosed in writing to the Agency by the Offeror prior to the date hereof.

K.3.11 No Collusion

- A. The Offeror represents and certifies its employees, agents and representatives have not and shall not discuss or disclose the terms of their offer and its submission or response thereto with any third party other than persons or entities, which the Offeror engaged to assist it with respect to such response or submission (Exhibit J.6).
- B. Neither the Offeror nor the firm, corporation, partnership, or institution represented by the Offeror or anyone acting for such firm, corporation or institution has violated the antitrust laws of this State, federal antitrust laws, nor communicated directly or indirectly the offer made to any competitor or any other person engaged in such line of business.

K.3.12 Disclosure of Interested Parties

In accordance with Texas Government Code, Section 2252.908, a governmental entity or State Agency may not enter into a contract valued at \$1,000,000 or greater with a business entity unless the business entity, in accordance with Texas Administrative Code, Title 1, Part 2, Chapter 46, Rules 46.1, 46.3 and 46.5, submits a disclosure of interested parties to the governmental entity or State Agency at the time the business entity submits the signed Contract to the governmental entity or State Agency.

The disclosure of interested parties must be submitted on a form, and a manner, prescribed by the Texas Ethics Commission. The Disclosure of Interested Parties Form (Form 1295) and instructions may be found at: <https://www.ethics.state.tx.us/filinginfo/1295/>.

K.3.13 Notification

If any of the information provided in the above representations changes during the term of the Contract, the Contractor shall submit updated representations as soon as is reasonably possible.

K.3.14 Deceptive Trade Practices; Unfair Business Practices

The Contractor represents and warrants that it has not been the subject of allegations of Deceptive Trade Practices violations under Texas Business and Commerce Code, Chapter 17, or allegations of any unfair business practice in any administrative hearing or court suit and that the Contractor has not been found to be liable for such practices in such proceedings. The Contractor certifies it has no officers who have served as officers of other entities who have been the subject of allegations of Deceptive Trade Practices violations or allegations of any unfair business practices in an administrative hearing or court suit and that such officers have not been found to be liable for such practices in such proceedings.

K.4 REPRESENTATIONS OF AGENCY

The Agency represents and warrants to and for the benefit of the Offeror, with the intent that the Offeror will rely thereon for the purposes of entering the Contract, as follows:

K.4.1 Authorization

The Agency has the requisite power to enter the Contract and perform its obligations hereunder and by proper action has duly authorized the execution, delivery, and performance hereof.

K.4.2 No Violation of Agreements

The consummation of the transactions contemplated by the Contract and the fulfillment of the terms hereof will not conflict with, or result in a breach of any of the terms and provisions of, or constitute a default under any indenture, mortgage, deed of trust, lease, loan agreement, security agreement, contract or other agreement or instrument to which the Agency is a party or by which its properties are bound, or any order, rule or regulation of any court or any regulatory body, administrative agency or other governmental body applicable to the Agency or any of its properties, except any such conflict, breach or default which would not materially and adversely affect the Agency's ability to perform its obligations under the Contract.

K.4.3 Disclosure

There is no material fact which materially and adversely affects or in the future will (so far as the Agency can now reasonably foresee) materially and adversely affect its ability to perform its obligations under the Contract or which might require changes in or additions to the services required under the Contract that would increase the cost to the Offeror of providing such services, which has not been accurately set forth in the Contract or otherwise accurately disclosed in writing to the Offeror by the Agency prior to the date hereof.

SECTION L – INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**L.1 AMENDMENTS TO SOLICITATIONS**

- A. If this Solicitation is amended, all terms and conditions which are not modified remain unchanged.
- B. The Agency will post amendment(s) to this Solicitation as a PDF to the Texas Electronic State Business Daily (ESBD) website at <http://www.txsmartbuy.com/esbd>.
- C. Offerors shall acknowledge receipt of all amendment(s) to this Solicitation by signing and returning the amendment(s), or by letter or email.
- D. The Agency must receive the acknowledgment by the offer deadline.
- E. Failure to acknowledge amendments may subject the offer to rejection.

L.2 LATE SUBMISSIONS, MODIFICATIONS, AND WITHDRAWALS OF OFFERS

- A. The Agency must receive the offer at the address listed in Block 7 and no later than the time specified on the Offer Cover Page.
- B. Offers received at the designated location after the deadline will not be considered.
- C. Offers cannot be modified after the deadline.
- D. Alterations made before the deadline should be initialed by the Offeror or its authorized agent.
- E. Offers cannot be withdrawn after the deadline without approval by the Agency based on an acceptable written reason.

L.3 SIGNATURES ON OFFERS SUBMITTED

- A. Offers from a partnership shall be signed in the firm name by at least one general partner or in the firm name by an Attorney-in-fact. If signed by an Attorney-in-fact, there shall be attached to the offer a Power of Attorney evidencing the authority to sign the offer, dated, and executed by all partners in the firm.
- B. Offers from a corporation shall have the correct corporate name thereon and the signature of an authorized officer of the corporation. The title of office held by the person signing for the corporation shall appear below the signature of the officer.
- C. Offers from an individual doing business under a firm or fictitious name shall be signed in the name of the individual doing business under the proper firm's name.
- D. Offers from a joint venture shall be signed by all members or by a member of the joint venture, if there is attached to the offer a copy of the Joint Venture Agreement evidencing that the offer is signed by the member who has authority to bind the joint venture.

L.4 OFFER ACCEPTANCE

- A. All offers will be valid for 180 Days after the submission date.
- B. Such period may be extended beyond the 180 Day period upon mutual agreement of both parties.
- C. The Agency may (a) reject any or all offers if such action is in the public interest, (b) accept other than the lowest priced offer and (c) waive minor informalities or minor irregularities in offers received.
- D. Upon review of offers, the Agency may select those that are most advantageous to the Agency and conduct negotiations to solicit a Best and Final Offer (BAFO).

L.5 CONTRACT AWARD

The Agency anticipates award of one or more firm, fixed-price Contracts to the Offerors whose offers will be most advantageous to the Agency. Cost or price, technical, and other factors specified elsewhere in this Solicitation may be considered.

L.6 RIGHTS OF THE AGENCY

- A. The Agency reserves the right to waive, change, add or delete any terms or conditions of this Solicitation.
- B. The Agency reserves the right to reject any one offer and/or all offers, or portions of offers, submitted in response to this Solicitation.
- C. All offers become the property of the Agency.
- D. The Agency reserves the right to use for its benefit ideas contained in the offers submitted.
- E. The Agency is not liable for any costs or damages that may be incurred by an Offeror (s) or prospective Offeror (s), in the preparation, formulation, or presentation of offer(s).
- F. In cases of ambiguity, the Agency may adopt such interpretations as may be advantageous to the Agency.
- G. All representations made by the Agency are subject to the availability of legislative appropriations and do not represent an obligation on the part of the State of Texas, the Agency or the TBCJ.
- H. The Agency reserves the right to withdraw this Solicitation at any time for any reason.
- I. The Agency reserves the right to not award any contracts and solicit additional offers later in the event of inconsistent rates and/or the absence of available competition.
- J. The Agency incurs no obligation regarding this Solicitation unless and until a Contract is fully executed by the parties; however, all offers received by the Agency will remain confidential until the evaluation process is complete.

L.7 OFFER PREPARATION INSTRUCTIONS

L.7.1 Purpose of Instructions

- A. These instructions are designed to assure the submission of information essential to the understanding and the comprehensive evaluation of the Offeror's offer.
- B. Offers shall be prepared in accordance with these instructions providing all required information in the specified format.
- C. Failure of a offer to show compliance with these instructions may be grounds for exclusion of the offer from further consideration.

L.7.2 Submission of Offers

- A. The Offeror must complete and sign all required forms.
- B. Offerors are asked to bear in mind that all material submitted should be directly pertinent to the requirements of this Solicitation. Extraneous narrative, elaborate brochures, uninformative public relations material, and other similar documents shall not be submitted.
- C. Offerors must clearly indicate if any of the information contained in the offer is confidential or proprietary in nature, by applying a legend to the page that indicates confidential or proprietary information is contained on said page. The Offeror must indicate which paragraph contains confidential or proprietary information by inserting the words "confidential/proprietary information" in bold type, enclosed by parentheses, at the beginning of the paragraph containing such information.
- D. Each page of the offer must include the Offeror's name.
- E. Offers must be typed or printed on standard letter paper (8 1/2" x 11"), pages numbered, with a table of contents and tabbed sections.
- F. Sealed offers shall be delivered to the Receiving Office in Block 7 of the Offer Cover Page prior to the deadline. Packages must be clearly marked with the solicitation number (Block 1) and name of the Contract Specialist (Block 4). **Late or emailed offers will not be accepted.**
- G. Offers shall be submitted in four Volumes as described below and in Section L.8:
 - 1. Flash drive containing the entire offer.
 - 2. Volumes 1-4 – one unbound original.
- H. **Failure to submit all required documentation by the offer deadline may result in disqualification of the offer from further consideration.**

L.8 OFFER SUBMISSION CHECKLIST

(for Offeror's use only – does not need to be submitted with offer)

Volume One, Section 1 – Introduction (no pricing data shall be included)	1 Unbound Original
Offer Cover Page (with applicable fields completed)	
Exhibit J.1, TDCJ Required Contract Clauses	
Flash Drive of Entire offer	
Introduction: Clear Description of the Offeror, outline of organizational capabilities, goals, and purposes.	
Evidence of previous accomplishments of the operation and management of SaaS for a secure adult Correctional Facility.	
Name and point of contact information for the person responsible for fielding and responding to all inquiries from the Agency.	
List of Authorized Negotiators to include titles, telephone numbers, and email addresses.	
Business form of Offeror (i.e., corporation, partnership, etc.)	
If a corporation, include the date and state of incorporation, the names and addresses of principal officers, directors, or partners.	
Brief biographies and resumes of those who will manage resulting Contracts and/or Program Director and Project Manager.	
Name and address of the Offeror's insurance carrier with a statement of liability from the carrier(s) that such policies are available to the Offeror (not required to purchase such insurance for responding to this Solicitation).	
Descriptions of all similar services provided to the Agency or other institutions/governmental agencies, to include Company Name, Point of Contact information, and Contract numbers and dates of performance. <i>The Agency reserves the right to contact any or all references to evaluate past performance.</i>	
A list of any contracts that have been cancelled or terminated, with an explanation of such, and the contact information from the institution or agency that cancelled or terminated the contract.	
A list of all legal actions pending against the Offeror and the outcomes of any final judgments.	
Documentation that the Offeror is properly certified to conduct business in the State of Texas and not in debt or owing to the State of Texas (e.g., a Certificate of fact-status or Franchise Tax Account Status)	
Statement from Offeror that they are not a corporation and certify that they are not in debt or owing to the State of Texas (if applicable).	
Volume Two – Technical Requirements (no pricing information shall be included)	1 Unbound Original
Project Schedule outlining the project from award of Contract to when full operations can begin (reflective of the Contract start date).	
Staffing Plan (to include job titles, job descriptions, key responsibilities, and dates of employment)	
Responses to the requirements in Section C (<i>pertinent to and formatted per this Section</i>)	
Compliance with Sections E through I (a single statement of agreement)	
For each instance of non-compliance or agreement, the Offeror shall propose an alternative and the reasons for such.	
Volume Three – Price/Cost Offer	1 Unbound Original
Section B.2, Pricing Schedule	
Budget Narrative	

	Financial Statements (all sub-schedules and footnotes) for the last two audited fiscal years, to include Balance Sheet, Profit and Loss Statement, and Changes in Financial Position	
	Volume Four – HUB Subcontracting Plan	1 Unbound Original
	Exhibit J.2, HUB Subcontracting Plan	
	Responses that do not include a completed HSP shall be rejected pursuant to Texas Government Code, Section 2161.252(b)	

L.9 DISCUSSION AND CORRESPONDENCE

- A. All communications and questions concerning this Solicitation, including any of a technical nature, shall be made in writing to the Contract Specialists listed in Block 4 of the offer cover page.
- B. Questions concerning any technical aspect of this Solicitation must be submitted via email. The Offeror's question(s) shall only be to clarify specific provisions in this Solicitation and shall reference the specific section that requires clarification. Written answers to the clarification questions will then be provided to all parties requesting copies of the Solicitation through the Contract Administration Branch. Offerors should only rely on the written information provided in this manner. Offerors are specifically barred from contacting any Agency personnel involved in this Solicitation for the purpose of discussing their offer.
- C. Offerors are reminded that the deadline for submission of written questions for clarification by the Agency is on the Summary of Key Dates. The Offeror is specifically cautioned against relying on any oral information.
- D. The Agency will post answers to all questions in the form of an amendment, and all amendments to this Solicitation will be available for downloading in .pdf format via the Texas Electronic State Business Daily (ESBD) at the following address: <http://www.txsmartbuy.com/esbd>.

L.10 PRE-OFFER CONFERENCE

- A. If you are interested in attending the pre-offer conference, email the Contract Specialist two Working Days prior to the scheduled event date and time.
- B. Attendance is not mandatory; however, the Agency will not be held responsible for any information discussed. Unauthorized contact with Agency personnel could result in the offer being rejected in its entirety.

L.11 LEGISLATIVE BUDGET BOARD (LBB) POSTING

After award of the Contract(s), information, documentation, and other material in connection with this Solicitation or any resulting Contract may be subject to public disclosure pursuant to Texas Government Code, Chapter 552 ("the Texas Public Information Act"). Any part of the Solicitation response that is of a proprietary nature must be clearly and prominently marked as such by the Offeror. **For major contracts, the offer submitted by the awarded Contractor is subject to public access on the Legislative Budget Board's website in accordance with Texas Government Code, Section 322.020.**

SECTION M – EVALUATION FACTORS FOR AWARD

M.1 SELECTION PROCESS

- A. The Agency will assemble an Evaluation Committee to review, evaluate and rank offers. The Evaluation Committee, at its sole option, may choose to validate any aspect of the written offer. No information will be provided about the status of the offers while they are under evaluation.
- B. Selection of a offer for award will be based on the “Best Value” to the Agency. The Agency will solely determine the “Best Value” through evaluation of each offer in accordance with Texas Government Code, Title 10, Subchapter B, Section 2155.074(b). Best and Final Offers may be sought from Offerors by the Evaluation Committee. However, the Agency encourages Offerors to always offer their best pricing. The Agency reserves the right to reissue or withdraw this RFO rather than continue with negotiations.
- C. At any stage in the process, the Agency may request clarification or additional information to assist in determining the qualifications, competence, and ability of the Offeror to provide the required Service. The Agency reserves the right to accept or reject all or part of any offer, waive minor technicalities and award the Contract to best serve the interest of the State.
- D. The Agency may select offers within a competitive range with whom to negotiate. The Agency may notify in writing any or all Offerors whose offers have been found to be responsive in the detailed evaluation phase.
- E. In accordance with Texas Government Code, Sections 2155.074 and 2155.075, vendor performance may be used as a factor in the award.
- F. An Offeror’s past performance will be considered in compliance with applicable provisions of Texas Government Code, Sections 2155.074, 2155.075, and 2156.007. The following examples indicate poor performance by a Contractor:
 - 1. A score of less than “C” in the Vendor Performance Tracking System;
 - 2. Currently under a Corrective Action Plan through the Texas Comptroller of Public Accounts;
 - 3. Having repeated negative Vendor Performance Reports for the same stated reason;
 - 4. A record of repeated non-responsiveness to vendor performance issues; and
 - 5. Having purchase orders or contracts that have been cancelled in the previous 12 months for non-performance (i.e., late delivery, etc.).

Contractor performance information is located on the Texas Comptroller of Public Accounts website at: <http://www.txsmartbuy.gov/vpts>.

The Agency may conduct reference checks with other entities regarding past performance. In addition to evaluating performance through the Vendor Performance Tracking System (as authorized by Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter C, Division 2, Rule 20.208), the Agency may examine other sources of vendor performance

including, but not limited to, notices of termination, cure notices, assessments of liquidated damages, litigation, audit reports, and non-renewals of contracts. Any such investigations shall be at the sole discretion of the Agency, and any negative findings, as determined by the Agency, may result in non-award to the Offeror.

M.2 MINIMUM QUALIFICATIONS

The Agency has established the following criteria as minimum Contractor (business entity) qualifications to be eligible to submit a response to this solicitation. Offerors from business entities not meeting these qualifications shall be disqualified from further consideration.

- A. The Offeror must possess a minimum of five years of experience in managing and operating a SaaS for a secure adult Correctional Facility.
- B. The Offeror must possess the ability to obtain the minimum commercial insurance required by this solicitation.
- C. The Offeror must possess the ability to commence operations (start-up) without financial assistance from the Agency.

M.3 EVALUATION CRITERIA

The following are evaluation criteria. While negotiation of offers may be held, Offerors are advised to submit their most competitive cost and technical offers.

M.3.1 Cost (40%)

M.3.2 Program and Services (40%)

- A. Trust Fund Banking (10%)
- B. Point of Sale (10%)
- C. Warehouse Management (10%)
- D. Parole Fee Management (10%)

M.3.3 Technical Support (4%)

M.3.4 Training (4%)

M.3.5 Deliverable Schedule (4%)

M.3.6 Experience (3%)

M.3.7 Past Performances (3%)

M.3.8 Financial Strength (2%)