

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
Bureau of Contracts, Floor 11-1
110 State Street
Albany, New York 12236

APPROVED DOCUMENT TRANSMITTAL

Date _____

Dept ID 3250226

Contract No. C161422

Purchase Order No. _____

TO: DOCCS

- Enclosed is an approved contract. Refer to this contract number and Department ID in all correspondence.
- Enclosed is an approved Amendment No./Change Order No. _____ in the amount of \$ _____.
- Extension is approved to _____ Amount if applicable \$ _____.
- Enclosed is an approved purchase order. Refer to this purchase order number and Department ID in all correspondence.
- Enclosed is an approved purchase order change notice in the amount of \$ _____.

(K)

Report ID: NYCA1673

State of New York
 Statewide Financial System
 Procurement Contract Request

Page No: 1
 Run Date: 8/7/2017
 Run Time: 11:54 AM

Single Transaction Summary

BUSINESS UNIT	DOCUMENT TYPE	AUDIT TYPE
DOC01	Procurement Contract	TBV

Business Unit (Name) Dept of Corrcrns_Cmmnty Sprvsn	Contract No C161422	Sequence # 0
Contract ID : 000000000000000000030735	Version # : 1	

Dept ID 3250226	Department Name Operations - Central Office
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Supplier ID 1100116726

Supplier Name JPAY INC	<i>FEZN</i>
---------------------------	-------------

Transaction Amount \$8,800,000.00	Begin Date (MM/DD/YYYY) to Expire Date (MM/DD/YYYY) 08/01/2017 to 07/31/2022
--------------------------------------	---

Bid Date (MM/DD/YYYY)	Renewal Amendment Beginning Date (MM/DD/YYYY)
-----------------------	---

Pre-Encumbrance Amt:	NY State Contract Descr: Inmate Kiosks
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Description DOC01-C161422-3250226

Provisions

Preparer's Signature GAMBACORTA, DAVID M	Preparer's Phone No 518-436-7886
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Agency Finance Officer's Signature <i>David Gambacorta</i>	Date 8-7-17
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Reporting Code	Method of Award	Number of Bids	Special Code
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Date Received	Date Approved	Date Rejected	Auditor's Initials <i>ko/jv</i>
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OFFICE OF THE STATE COMPTROLLER
 RECEIVED
 AUG 16 2017
 BUREAU OF CONTRACTS

Intended Encumbrance

Amount
0

Report ID: NYCA1673

State of New York
 Statewide Financial System
 Procurement Contract Request

Page No: 1
 Run Date: 8/7/2017
 Run Time: 11:54 AM

Single Transaction Summary

BUSINESS UNIT	DOCUMENT TYPE	AUDIT TYPE
DOC01	Procurement Contract	TBV

Business Unit (Name)	Contract No	Sequence #
Dept of Corrcns_Cmmnty Sprvsn	C161422	0
Contract ID : 00000000000000000000030735	Version # : 1	

Dept ID	Department Name
3250226	Operations - Central Office

Supplier ID
1100116726

Supplier Name
JPAY INC

Transaction Amount	Begin Date (MM/DD/YYYY) to	Expire Date (MM/DD/YYYY)
\$8,800,000.00	08/01/2017	07/31/2022

Bid Date (MM/DD/YYYY)	Renewal Amendment Beginning Date (MM/DD/YYYY)

Pre-Encumbrance Amt:	NY State Contract Descr:
	Inmate Kiosks

Description
DOC01-C161422-3250226

Provisions


Preparer's Signature	Preparer's Phone No
GAMBACORTA, DAVID M	518-436-7886

Agency Finance Officer's Signature	Date
<i>David Gambacorta</i>	8-7-17

Reporting Code	Method of Award	Number of Bids	Special Code

Date Received	Date Approved	Date Rejected	Auditor's Initials
			1/0

Intended Encumbrance

Amount


THOMAS P. DINAPOLI
STATE COMPTROLLER



110 STATE STREET
ALBANY, NEW YORK 12236

STATE OF NEW YORK
OFFICE OF THE STATE COMPTROLLER
BUREAU OF CONTRACTS
CONTRACT/PURCHASE ORDER
NOTICE OF NON-APPROVAL

Business Unit:	SHARE - Dept of Corrcrtns__Cmmnty Sprvsn	Amount:	\$0.00
PO/Contract Number:	00000000000000000028803	Dept ID:	3250226
Vendor Name:	JPAY INC	Audit Seq #:	0
Audit ID:	DOC01-C161422-3250226	Version #:	1

We have made our determination with respect to our review under Section 112 of State Finance Law or Section 2879-a of Public Authorities law, of this proposed contract transaction, as submitted. We have made the determination to return this proposed contract transaction non-approved for the following reason(s):

<u>Reason</u>	<u>Explanations and Comments</u>
Miscellaneous	STS/AC340-S contract amount incorrect
Supplemental Documentation	Vendor Responsibility documents deficient/not provided

Primary Contact

Reviewer: MICHELLE Y KO
Phone #: 518/473-2401
Email: mko@osc.state.ny.us
Fax #: 5184748030

Date: 08/09/2017

Secondary Contact

Supervisor: MICHELLE Y KO
Phone #: 518/473-2401
Email: mko@osc.state.ny.us
Fax #: 5184748030

ATTENTION AGENCY:

If a transaction is resubmitted to the State Comptroller's Office for review, the transaction must be re-entered by your agency on the Statewide Financial System. A copy of this notice of Non-Approval should be submitted with the new transaction. For new contracts, the final digit in the contract number identified above was added for administrative tracking purposes only and was not part of the original contract number as submitted by the Agency. This final appended digit should not be used when re-entering the transaction on the Statewide Financial System.

For Third Party contract transactions, a copy of this Non-Approval notice should be included with the resubmission. OSC will re-enter the transaction in the Statewide Financial System.

Report ID: NYCA1673

State of New York

Page No: 1

Statewide Financial System

Run Date: 6/20/2017

Procurement Contract Request

Run Time: 03:01 PM

Single Transaction Summary

BUSINESS UNIT	DOCUMENT TYPE	AUDIT TYPE
DOC01	Procurement Contract	TBV

Business Unit (Name)	Contract No	Sequence #
Dept of Corrcrtns_Cmmnty Sprvsn	C161422	0
Contract ID : 0000000000000000000028803	Version # : 1	

Dept ID	Department Name
3250226	Operations - Central Office

Supplier ID
1100116726 <i>FEIN</i>

Supplier Name
JPAY INC

Transaction Amount	Begin Date (MM/DD/YYYY) to	Expire Date (MM/DD/YYYY)
\$0.00	08/01/2017 to	07/31/2022

Bid Date (MM/DD/YYYY)	Renewal Amendment Beginning Date (MM/DD/YYYY)

Pre-Encumbrance Amt:	NY State Contract Descr:
	Inmate Kiosks

Description
DOC01-C161422-3250226

Provisions

Preparer's Signature	Preparer's Phone No
WASHINGTON, MARIE-JOSEE	436-7886 X3140

Agency Finance Officer's Signature	Date
<i>M J Washington</i>	6/20/17

Reporting Code	Method of Award	Number of Bids	Special Code

Date Received	Date Approved	Date Rejected	Auditor's Initials
			<i>160</i>

OFFICE OF THE STATE COMPTROLLER
 RECEIVED
 JUL 03 2017
 BUREAU OF CONTRACTS

6

Intended Encumbrance

Amount

| 0 |

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Contract # C161422

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- Procurement Lobbying Law (Affirmation, Certification, Disclosure, & Termination Language)
- Certificate of Attestation of Exemption from NYS Workers' Compensation and Disability Benefits Insurance Coverage

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- Appendix B – Statement of Work between DOCCS
- Appendix C – MWBE & EEO Information
- Appendix D – Originating Contract, RFP/Contract #1901 including Amendments
- Appendix E – Contractor's Pricing
- Vendor Assurance of No Conflict of Interest or Detrimental Effect Form

Tab 5 – Three Additional Signature Pages

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- OGS Contract Use Request Form Approval
- Procurement Record Checklist
- Price Justification / Explanation of Vendor Selection

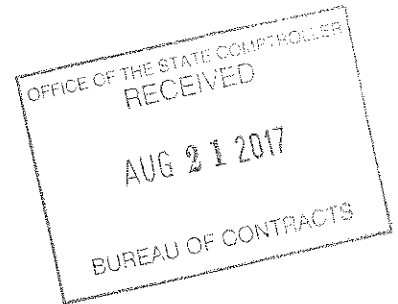
Tab 7 – Protests

- None



Release Debit Cards****

Item	Fees (Paid by Cardholder)	Commission
ATM Withdrawal (Domestic)^	\$2.00	None
ATM Withdrawal (International)	\$4.00	None
ATM Decline (Domestic)	\$1.00 \$0.70	None
ATM Decline (International)	\$1.50	None
ATM Balance Inquiry Fee (Domestic)	\$0.50	None
ATM Balance Inquiry Fee (International)	\$1.50	None
Purchase: Pin / Signature (Domestic)^	\$0.70 \$0.50	None
Purchase: Pin / Signature (International)	\$1.00	None
Pin / Signature Decline (Domestic and International)	\$0.50	None
Monthly Service Fee	\$2.00	None
Inactivity Fee^^^	\$2.99	None
Replace Card	\$5.00	None
Expedite Card	\$30.00	None
Account Closure^^^^	\$9.95	None
Statement Print	\$1.50	None



There will be no fees associated with Debit Cards associated with inmates participating in the Work Release Program.

****JPay reserves the right to set a minimum card load

^No charge for 1st Transaction. Use MoneyPass ATM's to avoid ATM surcharges. You can go to any MasterCard member bank and access your funds; third party fees may apply.

^^No charge for 1st Transaction.

^^^Inactivity Fee replaces monthly fee (active after 60 days of inactivity)

^^^^ Fee charged when card is closed and a paper check is requested for any remaining balance. You have 7 calendar days after card activation to close the card account and receive a paper check at no cost.

"Above Revisions Agreed to and Accepted"

[Signature] / 7/26/17 ARTM / 7/26/17
 Contractor Initial / Date DOCCS Initial / Date


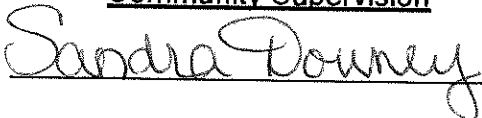
STATE OF NEW YORK AGREEMENT

<p><u>STATE AGENCY (Name & Address):</u></p> <p>New York State Department of Corrections and Community Supervision Support Operations – Contract Procurement Unit 1220 Washington Avenue Albany, NY 12226</p> <p>Attn: David Gambacorta Phone: (518) 436-7886 x3110</p>	<p><u>BUSINESS CODE:</u> DOC01</p> <p><u>NYS COMPTROLLER'S NUMBER</u> C161422</p> <p><u>DEPARTMENT CODE:</u> 3250226</p>
<p><u>CONTRACTOR (Name & Address)</u></p> <p>JPay Inc. ✓ 12864 Biscayne Boulevard – Suite 243 Miami, FL 33181</p> <p>Attn: Greg Levine Phone: (954) 862-6900</p>	<p><u>TYPE OF PROGRAM (S):</u></p> <p>Inmate Kiosks Piggyback Contract for Services</p>
<p><u>FEDERAL TAX IDENTIFICATION NUMBER</u></p> <p><u>NYS VENDOR ID NUMBER</u> 1100116726</p>	<p><u>INITIAL CONTRACT PERIOD</u></p> <p>FROM: August 1, 2017</p> <p>TO: July 31, 2022 ✓</p> <p><u>FUNDING AMOUNT FOR INITIAL PERIOD</u></p> <p>\$0</p>
<p><u>STATUS:</u></p> <p>Contractor is a (X) for () not for profit corporation</p>	<p><u>RENEWALS:</u></p> <p>None ✓</p>

APPENDICES ATTACHED AND PART OF THIS AGREEMENT:


- | | | |
|-------|------------|--|
| __X__ | APPENDIX A | Standard Clauses as required by the Attorney General for all State contracts |
| __X__ | APPENDIX B | Statement of Work between DOCCS and JPay, Inc. |
| __X__ | APPENDIX C | M/WBE and EEO Information |
| __X__ | APPENDIX D | Originating Contract, RFP/Contract #1901 including Amendments |
| __X__ | APPENDIX E | Non-Disclosure Agreement |

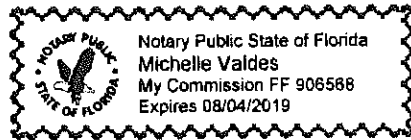
IN WITNESS THEREOF, the parties hereto have executed or approved this AGREEMENT on the dates below their signatures.

<p>CONTRACTOR</p> <p><u>JPay, Inc.</u></p> <p>By: <u></u></p> <p><u>ERROL FELDMAN</u></p> <p>Printed Name</p> <p>Title: <u>CEO</u></p> <p>Date: <u>6/13/17</u></p>	<p>Contract No. <u>C161422</u></p> <p>STATE AGENCY</p> <p><u>New York State Department of Corrections and Community Supervision</u></p> <p>By: <u></u></p> <p><u>SANDRA DOWNEY</u></p> <p>Printed Name</p> <p>Title: <u>Director of Budget and Finance</u></p> <p>Date: <u>6/19/17</u></p> <p>State Agency Certification</p> <p>"In addition to the acceptance of this contract, I also certify that original copies of this signature page will be attached to all other exact copies of this contract."</p>
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STATE OF Florida)
County of Broward) SS.:

On the 13 day of June, 2017, before me personally appeared Errol Feldman, to me known, who being by me duly sworn, did depose and say that he/she resides at 1 that he/she is the CEO of the JPay Inc, the corporation described herein which thereto by order of the board of directors of said corporation.

(Notary) 



ATTORNEY GENERAL
APPROVED AS TO FORM
NYS ATTORNEY GENERAL
JUN 29 2017
Benjamin L. Maggi
BENJAMIN L. MAGGI
ASSISTANT ATTORNEY GENERAL

APPROVED DEPT. OF AUDIT & CONTROL
AUG 12 2017
CHRISTINE DAVIS
FOR THE STATE COMPTROLLER

② 8,000,000.00
/52

AGREEMENT

This AGREEMENT made this 13 day of June, 2017 between the NEW YORK STATE DEPARTMENT OF CORRECTIONS AND COMMUNITY SUPERVISION (hereinafter referred to as "DOCCS"), with its principal office located at The Harriman State Campus, 1220 Washington Avenue, Albany, New York 12226 and JPay, Inc. (hereinafter "CONTRACTOR"), with its principal office located at 12864 Biscayne Boulevard – Suite 243, Miami, FL 33181 is for the establishment of a "piggyback" contract.

WHEREAS, pursuant to New York Correction Law §112(1), the Commissioner of DOCCS is given the authority to contract with private entities for the performance of such functions deemed necessary or desirable to promote the efficient operation of DOCCS, as well as the fulfillment of all lawful responsibilities of DOCCS; and

WHEREAS, the State of Nevada, on behalf of the National Association of State Procurement Officials (NASPO) as well as the Multi-State Corrections Procurement Alliance completed and open and competitive solicitation and awarded a multi-year contract to JPay, Inc. for inmate kiosks and related services ("Originating Contract"), RFP/Contract #1901.

WHEREAS, the Originating Contract authorizes other participating states or correctional agencies, to purchase services off of the Originating Contract in accordance with the terms and provisions described therein; and

WHEREAS, the CONTRACTOR is available under the aforementioned contract to provide Inmate Kiosks and Services; and

WHEREAS, the New York State Office of General Services (OGS) Procurement Services Group has approved the use of the Originating Contract, and

NOW THEREFORE, in consideration of the promises, responsibilities and covenants herein, the STATE and the CONTRACTOR agree as follows:

I. TERM

A. When signed by the parties and approved by all necessary government agencies, this AGREEMENT shall commence August 1, 2017 to July 31, 2022 ("Term") unless terminated earlier pursuant to its terms. ✓

II. AMENDMENTS

A. This AGREEMENT may be amended only upon the mutual written agreement of the parties.

B. To modify the AGREEMENT within an existing Term or Renewal Term, the parties shall execute an amendment to the agreement. Any change in the amount of consideration to be paid, change in scope, or change in the term, is subject to the approval of the Office of the State Comptroller.

C. Any such amendment to or extension of this AGREEMENT shall be subject to approval by the Office of the State Comptroller ("OSC") and where necessary as set forth in Section X(A) below, shall contain a new budget.

III. SUBCONTRACTING

A. The CONTRACTOR agrees not to subcontract any of its services, unless as indicated in its proposal, without the prior written approval of the DOCCS. Approval shall not be unreasonably withheld upon receipt of written request to subcontract.

The CONTRACTOR may arrange for a portion/s of its responsibilities under this AGREEMENT to be subcontracted to qualified, responsible subcontractors, subject to approval of the DOCCS. If the CONTRACTOR determines to subcontract a portion of the services, the subcontractors must be clearly identified and the nature and extent of its involvement in and/or proposed performance under this AGREEMENT must be fully explained by the CONTRACTOR to the DOCCS. As part of this explanation, the subcontractor

must submit to the DOCCS a completed Vendor Assurance of No Conflict of Interest or Detrimental Effect form, as required by the CONTRACTOR prior to execution of this AGREEMENT.

The CONTRACTOR retains ultimate responsibility for all services performed under the AGREEMENT.

All subcontracts shall be in writing and shall contain provisions, which are functionally identical to, and consistent with, the provisions of this AGREEMENT including, but not limited to, the body of this AGREEMENT, and Appendix A – Standard Clauses for New York State Contracts. Unless waived in writing by the DOCCS, all subcontracts between the CONTRACTOR and subcontractors shall expressly name the STATE, through DOCCS, as the sole intended third party beneficiary of such subcontract. DOCCS reserves the right to review and approve or reject any subcontract, as well as any amendment to said subcontract(s), and this right shall not make the DOCCS or the STATE a party to any subcontract or create any right, claim, or interest in the subcontractor or proposed subcontractor against the DOCCS.

DOCCS reserves the right, at any time during the term of the AGREEMENT, to verify that the written subcontract between the CONTRACTOR and subcontractors is in compliance with all of the provisions of this Section and any subcontract provisions contained in this AGREEMENT.

The CONTRACTOR shall give the DOCCS immediate notice in writing of the initiation of any legal action or suit which relates in any way to a subcontract with a subcontractor or which may affect the performance of the CONTRACTOR's duties under the AGREEMENT. Any subcontract shall not relieve the CONTRACTOR in any way of any responsibility, duty and/or obligation of the AGREEMENT.

If at any time during performance under this AGREEMENT total compensation to a subcontractor exceeds or is expected to exceed \$100,000, that subcontractor shall be required to submit and certify a Vendor Responsibility Questionnaire.

IV. TERMINATION

- A. DOCCS shall have the right to terminate this AGREEMENT early for (i) unavailability of funds or (ii) convenience provided that the DOCCS has given written notice to the CONTRACTOR no later than thirty (30) days or more prior to the date of termination.
- B. DOCCS may terminate the AGREEMENT for cause immediately upon written notice of termination to the CONTRACTOR, if the CONTRACTOR fails to comply with the terms and conditions of this AGREEMENT and/or with any laws, rules, regulations, policies or procedures affecting this AGREEMENT.
- C. DOCCS may terminate this AGREEMENT without cause by thirty (30) days prior written notice. In the event of such termination, the parties will adjust the accrued amount due and the CONTRACTOR will undertake no additional expenditures not already required.
- D. This AGREEMENT may be terminated at any time upon mutual written consent of DOCCS and the CONTRACTOR.
- E. DOCCS reserves the right to terminate this AGREEMENT in the event it is found that the certification filed by the CONTRACTOR in accordance with New York State Finance Law Sections 139-j and 139-k was intentionally false or intentionally incomplete. Upon such finding, DOCCS may exercise its termination right by providing written notification to the CONTRACTOR in accordance with the written notification terms of this AGREEMENT.
- F. In the event of the termination of this AGREEMENT by either party, DOCCS shall be liable for the actual and necessary expenses for services provided by CONTRACTOR up to and including the effective date of termination.

V. CONTRACTOR RESPONSIBILITY

A. The CONTRACTOR shall, at all times during the AGREEMENT term remain responsible. The CONTRACTOR agrees, if requested by the Commissioner of DOCCS or his designee, to present evidence of its continuing legal authority to do business in New York State, integrity, experience, ability, prior performance, and organizational and financial capacity.

B. The Commissioner of DOCCS or his designee, in his sole discretion, reserves the right to suspend any or all activities under this AGREEMENT, at any time, when he discovers information that calls into question the responsibility of the CONTRACTOR. In the event of such suspension, the CONTRACTOR will be given written notice outlining the particulars of such suspension. Upon issuance of such notice, the CONTRACTOR must comply with the terms of the suspension order. Contract activity may resume at such time as the Commissioner of DOCCS or his designee issues a written notice authorizing a resumption of performance under the Contract.

C. Upon written notice to the CONTRACTOR, and a reasonable opportunity to be heard with appropriate DOCCS officials or staff, the AGREEMENT may be terminated by the Commissioner of DOCCS or his designee at the CONTRACTOR'S expense where the CONTRACTOR is determined by the DOCCS Commissioner or his designee to be non-responsible. In such event, the Commissioner or his designee may complete the contractual requirements in any manner he may deem advisable and pursue available legal or equitable remedies for breach.

VI. CONFLICTS OF INTEREST

A. The CONTRACTOR has provided a form (Vendor Assurance of No Conflict of Interest or Detrimental Effect), signed by an authorized executive or legal representative attesting that the CONTRACTOR's performance of the services does not and will not create a conflict of interest with, nor position the CONTRACTOR to breach any other contract currently in force with the State of

New York, that the CONTRACTOR will not act in any manner that is detrimental to any STATE project on which the CONTRACTOR is rendering services.

B. The CONTRACTOR hereby reaffirms the attestations made in its proposal and covenants and represents that there is and shall be no actual or potential conflict of interest that could prevent the CONTRACTOR's satisfactory or ethical performance of duties required to be performed pursuant to the terms of this AGREEMENT. The CONTRACTOR shall have a duty to notify the AGENCY immediately of any actual or potential conflicts of interest.

C. In conjunction with any subcontract under this AGREEMENT, the CONTRACTOR shall obtain and deliver to the AGENCY, prior to entering into a subcontract, a Vendor Assurance of No Conflict of Interest or Detrimental Effect form, signed by an authorized executive or legal representative of the subcontractor. The CONTRACTOR shall also require in any subcontracting agreement that the subcontractor, in conjunction with any further subcontracting agreement, obtain and deliver to the AGENCY a signed and completed Vendor Assurance of No Conflict of Interest or Detrimental Effect form for each of its subcontractors prior to entering into a subcontract.

D. The AGENCY and the CONTRACTOR recognize that conflicts may occur in the future because the CONTRACTOR may have existing, or establish new, relationships. The AGENCY will review the nature of any relationships and reserves the right to terminate this AGREEMENT for any reason, or for cause, if, in the judgment of the AGENCY, a real or potential conflict of interest cannot be cured.

VII. PUBLIC OFFICERS LAW

A. Contractors, consultants, vendors, and subcontractors may hire former State Agency or Authority employees. However, as a general rule and in accordance with New York Public Officers Law, former employees of the State Agency or Authority may neither appear nor practice before the State Agency or

Authority, nor receive compensation for services rendered on a matter before the State Agency or Authority, for a period of two years following their separation from State Agency or Authority service. In addition, former State Agency or Authority employees are subject to a "lifetime bar" from appearing before the State Agency or Authority or receiving compensation for services regarding any transaction in which they personally participated or which was under their active consideration during their tenure with the State Agency or Authority.

VIII. ETHICS REQUIREMENTS

A. The Contractor and its Subcontractors shall not engage any person who is, or has been at any time, in the employ of the State to perform services in violation of the provisions of the New York Public Officers Law, other laws applicable to the service of State employees, and the rules, regulations, opinions, guidelines or policies promulgated or issued by the New York State Joint Commission on Public Ethics, or its predecessors (collectively, the "Ethics Requirements"). The Contractor certifies that all of its employees and those of its Subcontractors who are former employees of the State and who are assigned to perform services under this Contract shall be assigned in accordance with all Ethics Requirements. During the Term, no person who is employed by the Contractor or its Subcontractors and who is disqualified from providing services under this Contract pursuant to any Ethics Requirements may share in any net revenues of the Contractor or its Subcontractors derived from this Contract. The Contractor shall identify and provide the State with notice of those employees of the Contractor and its Subcontractors who are former employees of the State that will be assigned to perform services under this Contract, and make sure that such employees comply with all applicable laws and prohibitions. The State may request that the Contractor provide it with whatever information the State deems appropriate about each such person's engagement, work cooperatively with the State to solicit advice from the New York State Joint Commission on Public Ethics, and, if deemed appropriate by the State, instruct any such person to seek the opinion of the New York State Joint Commission on Public Ethics. The State shall have the right to withdraw or withhold approval of any Subcontractor if utilizing such Subcontractor for any work performed hereunder would be in conflict with any of the Ethics Requirements. The

State shall have the right to terminate this Contract at any time if any work performed hereunder is in conflict with any of the Ethics Requirements.

IX. REQUEST FOR PROPOSAL (RFP) AND CONTRACT AWARD

A. Request for Proposal (RFP) #1901 was issued by the State of Nevada, on behalf of the National Association of State Procurement Officials (NASPO) as well as the Multi-State Corrections Procurement Alliance, and completed and open and competitive solicitation and awarded a multi-year contract to JPay, Inc. for inmate kiosks and related services ("Originating Contract"), RFP/Contract #1901.

B. DOCCS has determined that CONTRACTOR is the successful vendor and the CONTRACTOR is willing and able to provide the services required.

C. CONTRACTOR shall provide kiosks and related services to DOCCS in accordance with the Statement of Work, a true copy of which is annexed hereto and made a part hereof as Appendix B; and the Originating Contract, RFP/Contract #1901 including amendments, a true copy of which is annexed hereto and made a part of as Appendix D.

X. STATEMENT OF WORK

A. Pursuant to this AGREEMENT, CONTRACTOR shall provide the services set forth herein and in Appendix B, Statement of Work, contains a description of the services to be provided by CONTRACTOR.

B. It is expressly understood and agreed by CONTRACTOR that any and all services and products specified in this AGREEMENT shall be provided only at the direction of DOCCS.

XI. COMPENSATION

A. All compensation that will be paid to the CONTRACTOR is set forth in Exhibit A contained in Appendix B which is attached hereto and made a part hereof. Page 6 through 8 of Appendix B consists of the Pricing Exhibit.

B. Throughout the term of this AGREEMENT, CONTRACTOR shall be reimbursed only for actual and necessary expenses for services actually performed in accordance with this AGREEMENT and with Appendix B.

XII. CONFIDENTIALITY

A. CONTRACTOR acknowledges that any and all information, records, files, documents or reports contained in any media format (e.g. print, electronic) provided to CONTRACTOR by the DOCCS or otherwise encountered by CONTRACTOR in the provision of services pursuant to this AGREEMENT shall be considered confidential and shall be handled accordingly at all times. Neither CONTRACTOR nor any of its employees, servants, subcontractors, agents or volunteers shall at any time be permitted to utilize any such confidential information for any purpose outside the scope of this AGREEMENT without the express prior written authorization of DOCCS. CONTRACTOR shall educate, monitor and be responsible for its employees, servants, subcontractors, agents and volunteers providing services for CONTRACTOR pursuant to this AGREEMENT concerning these confidentiality requirements. Any breach of the confidentiality requirements set forth in this Section or in Appendix B by CONTRACTOR or by any of its employees, servants, subcontractors, agents or volunteers may result in the immediate termination of this AGREEMENT by the DOCCS and may subject the CONTRACTOR to further penalties. Annexed hereto as Appendix E is a copy of the Non-Disclosure Agreement.

XIII. INDEPENDENT CONTRACTOR

A. It is expressly understood and agreed that CONTRACTOR'S status hereunder is that of an independent contractor and that no official, employee, servant, subcontractor, agent or volunteer of CONTRACTOR is an employee of the DOCCS or the State of New York. CONTRACTOR is solely responsible for the work, compensation, benefits and personal conduct of all such persons assigned to the provision of services pursuant to this AGREEMENT. Nothing contained in this Section or in any other provision of this AGREEMENT shall be construed to impose any liability or duty to the DOCCS or the State of New York

as notices. Thus, such communications may be done via telephone, e-mail, fax, United States Postal Service or other means.

X. MISCELLANEOUS PROVISIONS

A. Entire Agreement: This AGREEMENT, including the face page and all its appendices, constitutes the entire AGREEMENT between the parties and supersedes all other communications between the parties relating to the subject matter herein.

B. Appendix A: DOCCS Appendix A (Standard Clauses as required by the Attorney General for all State contracts) is attached hereto and made a part hereof.

C. Controlling Statutes: This AGREEMENT shall be governed by and construed in accordance with the laws of the State of New York.

D. Order of Precedence: In the event of any conflict between the terms of this Agreement and the terms of it Appendices, the following order of precedence shall apply:

- I. Appendix A (Standard Clauses)
- II. Agreement #C161422
- III. Appendix B (Statement of Work)
- IV. Appendix D (Originating Contract, RFP/Contract #1901 and amendments)
- V. Appendix C (MWBE & EEO Information)
- VI. Appendix E (Non-Disclosure Agreement)

"Above Revision Agreed to and Accepted"

SLD / *6/26/17* *SLD* / *6/27/17*
Contractor Initial / Date **DOCCS Initial / Date**

E. Unenforceability: If any part of this AGREEMENT is found to be unenforceable for any reason, that part shall be deemed deleted and all other terms, conditions, and provisions of this AGREEMENT shall remain in full force and effect.

define, limit or describe the scope or intent of this AGREEMENT, or any provision thereof, or in any way affect this AGREEMENT.

- G. Defense and Indemnification: The contractor shall provide for the complete defense of the State, the Department, its officials, employees, and agents and for their complete indemnification from judgments, settlements, or losses that result from actions, claims, or proceedings both judicial or administrative, that arise out of the contractor's performance of this contract. The contractor's duty to indemnify shall not be lessened by its utilization of subcontractors and shall cover direct, indirect, special and consequential damages.
- H. Force Majeure: Neither party shall be liable for losses, defaults, or damages, under this AGREEMENT which result from delays in performing, or inability to perform, all or any of the obligations or responsibilities imposed upon it pursuant to the terms and conditions of this AGREEMENT, due to or because of acts of God, the public enemy, acts of government, earthquakes, floods, strikes, typhoons, civil strife, fire or any cause beyond the reasonable control of the party that was so delayed in performing or so unable to perform, provided that such party was not negligent and shall have used reasonable efforts to avoid and overcome such cause. Such party will resume full performance of such obligations and responsibilities promptly upon removal of any such cause.
- I. Certificate of Insurance: CONTRACTOR must have the necessary insurance to comply with New York State requirements.
Prior to providing any service to the State of New York, the bidder must provide a copy of the insurance certificate naming the State of New York and New York State Department of Corrections and Community Supervision as "additional named insured" in its liability policy.
- J. Workers' Compensation And Disability Benefits Coverage: A policy covering the obligations of the CONTRACTOR in accordance with the provisions of Chapter 41, Laws of 1914, as amended, known as the Workers' Compensation Law, and the contract, shall be void, and of no effect unless the CONTRACTOR

procures such policy, and maintains it through the end of the contract term. A copy of the certificates must be submitted to and retained by DOCCS. The name and FEIN of the contracting entity must be identical to the name and FEIN identified on the proof of coverage or exemption. In the instance of exemption, please be advised that the WCB does not verify Attestations for Exemption. It is incumbent on the state contracting entity to verify the validity of the entity's reason for exemption; please verify and provide a copy of the signed and dated exemption certificate.

- K. Non-sectarian: CONTRACTOR is a non-sectarian organization and does not have as one of its purposes the advancement of any religion.
- L. McBride: CONTRACTOR has no business operations in Northern Ireland.
- M. Strict Adherence: The failure of DOCCS to insist upon strict adherence to any provision, fiscal obligation, reporting or other requirement of this AGREEMENT shall not be considered to constitute a waiver or constructive modification to deprive DOCCS of the right to insist upon strict adherence to the terms of this AGREEMENT in the future.
- N. Approval: This AGREEMENT shall not become effective unless and until approved by the Department of Law (Attorney General) and the Office of the State Comptroller.
- O. Prevailing Wage Rates – Public Works and Building Services Contracts: Work being performed is subject to prevailing wage rate provisions of New York State Labor Law. If you have any questions or to obtain Prevailing Wage Rates please contact the New York State Department of Labor, Bureau of Public Works at www.labor.ny.gov
- P. M/WBE: By signing said AGREEMENT, CONTRACTOR agrees to comply with all requirements of Minority and Women Business Enterprise Laws,

Regulations and Rules (M/WBE) Annexed hereto as Appendix C is a copy of the M/WBE policy.

APPENDIX A

**Standard Clauses as Required by the Attorney
General for all State Contracts**

APPENDIX A

STANDARD CLAUSES FOR NEW YORK STATE CONTRACTS

**PLEASE RETAIN THIS DOCUMENT
FOR FUTURE REFERENCE.**

January 2014

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STANDARD CLAUSES FOR NYS CONTRACTS

The parties to the attached contract, license, lease, amendment or other agreement of any kind (hereinafter, "the contract" or "this contract") agree to be bound by the following clauses which are hereby made a part of the contract (the word "Contractor" herein refers to any party other than the State, whether a contractor, licensor, licensee, lessor, lessee or any other party):

1. **EXECUTORY CLAUSE.** In accordance with Section 41 of the State Finance Law, the State shall have no liability under this contract to the Contractor or to anyone else beyond funds appropriated and available for this contract.

2. **NON-ASSIGNMENT CLAUSE.** In accordance with Section 138 of the State Finance Law, this contract may not be assigned by the Contractor or its right, title or interest therein assigned, transferred, conveyed, sublet or otherwise disposed of without the State's previous written consent, and attempts to do so are null and void. Notwithstanding the foregoing, such prior written consent of an assignment of a contract let pursuant to Article XI of the State Finance Law may be waived at the discretion of the contracting agency and with the concurrence of the State Comptroller where the original contract was subject to the State Comptroller's approval, where the assignment is due to a reorganization, merger or consolidation of the Contractor's business entity or enterprise. The State retains its right to approve an assignment and to require that any Contractor demonstrate its responsibility to do business with the State. The Contractor may, however, assign its right to receive payments without the State's prior written consent unless this contract concerns Certificates of Participation pursuant to Article 5-A of the State Finance Law.

3. **COMPTROLLER'S APPROVAL.** In accordance with Section 112 of the State Finance Law (or, if this contract is with the State University or City University of New York, Section 355 or Section 6218 of the Education Law), if this contract exceeds \$50,000 (or the minimum thresholds agreed to by the Office of the State Comptroller for certain S.U.N.Y. and C.U.N.Y. contracts), or if this is an amendment for any amount to a contract which, as so amended, exceeds said statutory amount, or if, by this contract, the State agrees to give something other than money when the value or reasonably estimated value of such consideration exceeds \$10,000, it shall not be valid, effective or binding upon the State until it has been approved by the State Comptroller and filed in his office. Comptroller's approval of contracts let by the Office of General Services is required when such contracts exceed \$85,000 (State Finance Law Section 163.6-a). However, such pre-approval shall not be required for any contract established as a centralized contract through the Office of General Services or for a purchase order or other transaction issued under such centralized contract.

4. **WORKERS' COMPENSATION BENEFITS.** In accordance with Section 142 of the State Finance Law, this

contract shall be void and of no force and effect unless the Contractor shall provide and maintain coverage during the life of this contract for the benefit of such employees as are required to be covered by the provisions of the Workers' Compensation Law.

5. **NON-DISCRIMINATION REQUIREMENTS.** To the extent required by Article 15 of the Executive Law (also known as the Human Rights Law) and all other State and Federal statutory and constitutional non-discrimination provisions, the Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, sex (including gender identity or expression), national origin, sexual orientation, military status, age, disability, predisposing genetic characteristics, marital status or domestic violence victim status. Furthermore, in accordance with Section 220-e of the Labor Law, if this is a contract for the construction, alteration or repair of any public building or public work or for the manufacture, sale or distribution of materials, equipment or supplies, and to the extent that this contract shall be performed within the State of New York, Contractor agrees that neither it nor its subcontractors shall, by reason of race, creed, color, disability, sex, or national origin: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. If this is a building service contract as defined in Section 230 of the Labor Law, then, in accordance with Section 239 thereof, Contractor agrees that neither it nor its subcontractors shall by reason of race, creed, color, national origin, age, sex or disability: (a) discriminate in hiring against any New York State citizen who is qualified and available to perform the work; or (b) discriminate against or intimidate any employee hired for the performance of work under this contract. Contractor is subject to fines of \$50.00 per person per day for any violation of Section 220-e or Section 239 as well as possible termination of this contract and forfeiture of all moneys due hereunder for a second or subsequent violation.

6. **WAGE AND HOURS PROVISIONS.** If this is a public work contract covered by Article 8 of the Labor Law or a building service contract covered by Article 9 thereof, neither Contractor's employees nor the employees of its subcontractors may be required or permitted to work more than the number of hours or days stated in said statutes, except as otherwise provided in the Labor Law and as set forth in prevailing wage and supplement schedules issued by the State Labor Department. Furthermore, Contractor and its subcontractors must pay at least the prevailing wage rate and pay or provide the prevailing supplements, including the premium rates for overtime pay, as determined by the State Labor Department in accordance with the Labor Law. Additionally, effective April 28, 2008, if this is a public work contract covered by Article 8 of the Labor Law, the Contractor understands and agrees that the filing of payrolls in a manner consistent with Subdivision 3-a of Section 220 of the Labor Law shall be a condition precedent to payment by the State of

any State approved sums due and owing for work done upon the project.

7. NON-COLLUSIVE BIDDING CERTIFICATION. In accordance with Section 139-d of the State Finance Law, if this contract was awarded based upon the submission of bids, Contractor affirms, under penalty of perjury, that its bid was arrived at independently and without collusion aimed at restricting competition. Contractor further affirms that, at the time Contractor submitted its bid, an authorized and responsible person executed and delivered to the State a non-collusive bidding certification on Contractor's behalf.

8. INTERNATIONAL BOYCOTT PROHIBITION. In accordance with Section 220-f of the Labor Law and Section 139-h of the State Finance Law, if this contract exceeds \$5,000, the Contractor agrees, as a material condition of the contract, that neither the Contractor nor any substantially owned or affiliated person, firm, partnership or corporation has participated, is participating, or shall participate in an international boycott in violation of the federal Export Administration Act of 1979 (50 USC App. Sections 2401 et seq.) or regulations thereunder. If such Contractor, or any of the aforesaid affiliates of Contractor, is convicted or is otherwise found to have violated said laws or regulations upon the final determination of the United States Commerce Department or any other appropriate agency of the United States subsequent to the contract's execution, such contract, amendment or modification thereto shall be rendered forfeit and void. The Contractor shall so notify the State Comptroller within five (5) business days of such conviction, determination or disposition of appeal (2NYCRR 105.4).

9. SET-OFF RIGHTS. The State shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the State with regard to this contract, any other contract with any State department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the State for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. The State shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by the State agency, its representatives, or the State Comptroller.

10. RECORDS. The Contractor shall establish and maintain complete and accurate books, records, documents, accounts and other evidence directly pertinent to performance under this contract (hereinafter, collectively, "the Records"). The Records must be kept for the balance of the calendar year in which they were made and for six (6) additional years thereafter. The State Comptroller, the Attorney General and any other person or entity authorized to conduct an examination, as well as the agency or agencies involved in this

contract, shall have access to the Records during normal business hours at an office of the Contractor within the State of New York or, if no such office is available, at a mutually agreeable and reasonable venue within the State, for the term specified above for the purposes of inspection, auditing and copying. The State shall take reasonable steps to protect from public disclosure any of the Records which are exempt from disclosure under Section 87 of the Public Officers Law (the "Statute") provided that: (i) the Contractor shall timely inform an appropriate State official, in writing, that said records should not be disclosed; and (ii) said records shall be sufficiently identified; and (iii) designation of said records as exempt under the Statute is reasonable. Nothing contained herein shall diminish, or in any way adversely affect, the State's right to discovery in any pending or future litigation.

11. IDENTIFYING INFORMATION AND PRIVACY NOTIFICATION.

(a) Identification Number(s). Every invoice or New York State Claim for Payment submitted to a New York State agency by a payee, for payment for the sale of goods or services or for transactions (e.g., leases, easements, licenses, etc.) related to real or personal property must include the payee's identification number. The number is any or all of the following: (i) the payee's Federal employer identification number, (ii) the payee's Federal social security number, and/or (iii) the payee's Vendor Identification Number assigned by the Statewide Financial System. Failure to include such number or numbers may delay payment. Where the payee does not have such number or numbers, the payee, on its invoice or Claim for Payment, must give the reason or reasons why the payee does not have such number or numbers.

(b) Privacy Notification. (1) The authority to request the above personal information from a seller of goods or services or a lessor of real or personal property, and the authority to maintain such information, is found in Section 5 of the State Tax Law. Disclosure of this information by the seller or lessor to the State is mandatory. The principal purpose for which the information is collected is to enable the State to identify individuals, businesses and others who have been delinquent in filing tax returns or may have understated their tax liabilities and to generally identify persons affected by the taxes administered by the Commissioner of Taxation and Finance. The information will be used for tax administration purposes and for any other purpose authorized by law. (2) The personal information is requested by the purchasing unit of the agency contracting to purchase the goods or services or lease the real or personal property covered by this contract or lease. The information is maintained in the Statewide Financial System by the Vendor Management Unit within the Bureau of State Expenditures, Office of the State Comptroller, 110 State Street, Albany, New York 12236.

12. EQUAL EMPLOYMENT OPPORTUNITIES FOR MINORITIES AND WOMEN.

In accordance with Section 312 of the Executive Law and 5 NYCRR 143, if this contract is: (i) a written agreement or purchase order instrument, providing for a total expenditure in excess of \$25,000.00,

whereby a contracting agency is committed to expend or does expend funds in return for labor, services, supplies, equipment, materials or any combination of the foregoing, to be performed for, or rendered or furnished to the contracting agency; or (ii) a written agreement in excess of \$100,000.00 whereby a contracting agency is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon; or (iii) a written agreement in excess of \$100,000.00 whereby the owner of a State assisted housing project is committed to expend or does expend funds for the acquisition, construction, demolition, replacement, major repair or renovation of real property and improvements thereon for such project, then the following shall apply and by signing this agreement the Contractor certifies and affirms that it is Contractor's equal employment opportunity policy that:

(a) The Contractor will not discriminate against employees or applicants for employment because of race, creed, color, national origin, sex, age, disability or marital status, shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force on State contracts and will undertake or continue existing programs of affirmative action to ensure that minority group members and women are afforded equal employment opportunities without discrimination. Affirmative action shall mean recruitment, employment, job assignment, promotion, upgradings, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation;

(b) at the request of the contracting agency, the Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union or representative will not discriminate on the basis of race, creed, color, national origin, sex, age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein; and

(c) the Contractor shall state, in all solicitations or advertisements for employees, that, in the performance of the State contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.

Contractor will include the provisions of "a", "b", and "c" above, in every subcontract over \$25,000.00 for the construction, demolition, replacement, major repair, renovation, planning or design of real property and improvements thereon (the "Work") except where the Work is for the beneficial use of the Contractor. Section 312 does not apply to: (i) work, goods or services unrelated to this contract; or (ii) employment outside New York State. The State shall consider compliance by a contractor or subcontractor with the requirements of any federal law concerning equal employment

opportunity which effectuates the purpose of this section. The contracting agency shall determine whether the imposition of the requirements of the provisions hereof duplicate or conflict with any such federal law and if such duplication or conflict exists, the contracting agency shall waive the applicability of Section 312 to the extent of such duplication or conflict. Contractor will comply with all duly promulgated and lawful rules and regulations of the Department of Economic Development's Division of Minority and Women's Business Development pertaining hereto.

13. CONFLICTING TERMS. In the event of a conflict between the terms of the contract (including any and all attachments thereto and amendments thereof) and the terms of this Appendix A, the terms of this Appendix A shall control.

14. GOVERNING LAW. This contract shall be governed by the laws of the State of New York except where the Federal supremacy clause requires otherwise.

15. LATE PAYMENT. Timeliness of payment and any interest to be paid to Contractor for late payment shall be governed by Article 11-A of the State Finance Law to the extent required by law.

16. NO ARBITRATION. Disputes involving this contract, including the breach or alleged breach thereof, may not be submitted to binding arbitration (except where statutorily authorized), but must, instead, be heard in a court of competent jurisdiction of the State of New York.

17. SERVICE OF PROCESS. In addition to the methods of service allowed by the State Civil Practice Law & Rules ("CPLR"), Contractor hereby consents to service of process upon it by registered or certified mail, return receipt requested. Service hereunder shall be complete upon Contractor's actual receipt of process or upon the State's receipt of the return thereof by the United States Postal Service as refused or undeliverable. Contractor must promptly notify the State, in writing, of each and every change of address to which service of process can be made. Service by the State to the last known address shall be sufficient. Contractor will have thirty (30) calendar days after service hereunder is complete in which to respond.

18. PROHIBITION ON PURCHASE OF TROPICAL HARDWOODS. The Contractor certifies and warrants that all wood products to be used under this contract award will be in accordance with, but not limited to, the specifications and provisions of Section 165 of the State Finance Law, (Use of Tropical Hardwoods) which prohibits purchase and use of tropical hardwoods, unless specifically exempted, by the State or any governmental agency or political subdivision or public benefit corporation. Qualification for an exemption under this law will be the responsibility of the contractor to establish to meet with the approval of the State.

In addition, when any portion of this contract involving the use of woods, whether supply or installation, is to be performed by any subcontractor, the prime Contractor will indicate and certify in the submitted bid proposal that the subcontractor has been informed and is in compliance with specifications and provisions regarding use of tropical hardwoods as detailed in §165 State Finance Law. Any such use must meet with the approval of the State; otherwise, the bid may not be considered responsive. Under bidder certifications, proof of qualification for exemption will be the responsibility of the Contractor to meet with the approval of the State.

19. MACBRIDE FAIR EMPLOYMENT PRINCIPLES.

In accordance with the MacBride Fair Employment Principles (Chapter 807 of the Laws of 1992), the Contractor hereby stipulates that the Contractor either (a) has no business operations in Northern Ireland, or (b) shall take lawful steps in good faith to conduct any business operations in Northern Ireland in accordance with the MacBride Fair Employment Principles (as described in Section 165 of the New York State Finance Law), and shall permit independent monitoring of compliance with such principles.

20. OMNIBUS PROCUREMENT ACT OF 1992. It is the policy of New York State to maximize opportunities for the participation of New York State business enterprises, including minority and women-owned business enterprises as bidders, subcontractors and suppliers on its procurement contracts.

Information on the availability of New York State subcontractors and suppliers is available from:

NYS Department of Economic Development
Division for Small Business
Albany, New York 12245
Telephone: 518-292-5100
Fax: 518-292-5884
email: opa@esd.ny.gov

A directory of certified minority and women-owned business enterprises is available from:

NYS Department of Economic Development
Division of Minority and Women's Business Development
633 Third Avenue
New York, NY 10017
212-803-2414
email: mwbecertification@esd.ny.gov
<https://ny.newnycontracts.com/FrontEnd/VendorSearchPublic.asp>

The Omnibus Procurement Act of 1992 requires that by signing this bid proposal or contract, as applicable, Contractors certify that whenever the total bid amount is greater than \$1 million:

(a) The Contractor has made reasonable efforts to encourage the participation of New York State Business Enterprises as suppliers and subcontractors, including certified minority and women-owned business enterprises, on this project, and has retained the documentation of these efforts to be provided upon request to the State;

(b) The Contractor has complied with the Federal Equal Opportunity Act of 1972 (P.L. 92-261), as amended;

(c) The Contractor agrees to make reasonable efforts to provide notification to New York State residents of employment opportunities on this project through listing any such positions with the Job Service Division of the New York State Department of Labor, or providing such notification in such manner as is consistent with existing collective bargaining contracts or agreements. The Contractor agrees to document these efforts and to provide said documentation to the State upon request; and

(d) The Contractor acknowledges notice that the State may seek to obtain offset credits from foreign countries as a result of this contract and agrees to cooperate with the State in these efforts:

21. RECIPROCITY AND SANCTIONS PROVISIONS.

Bidders are hereby notified that if their principal place of business is located in a country, nation, province, state or political subdivision that penalizes New York State vendors, and if the goods or services they offer will be substantially produced or performed outside New York State, the Omnibus Procurement Act 1994 and 2000 amendments (Chapter 684 and Chapter 383, respectively) require that they be denied contracts which they would otherwise obtain. NOTE: As of May 15, 2002, the list of discriminatory jurisdictions subject to this provision includes the states of South Carolina, Alaska, West Virginia, Wyoming, Louisiana and Hawaii. Contact NYS Department of Economic Development for a current list of jurisdictions subject to this provision.

22. COMPLIANCE WITH NEW YORK STATE INFORMATION SECURITY BREACH AND NOTIFICATION ACT.

Contractor shall comply with the provisions of the New York State Information Security Breach and Notification Act (General Business Law Section 899-aa; State Technology Law Section 208).

23. COMPLIANCE WITH CONSULTANT DISCLOSURE LAW.

If this is a contract for consulting services, defined for purposes of this requirement to include analysis, evaluation, research, training, data processing, computer programming, engineering, environmental, health, and mental health services, accounting, auditing, paralegal, legal or similar services, then, in accordance with Section 163 (4-g) of the State Finance Law (as amended by Chapter 10 of the Laws of 2006), the Contractor shall timely, accurately and properly comply with the requirement to submit an annual employment report for the contract to the agency that awarded

the contract, the Department of Civil Service and the State Comptroller.

24. PROCUREMENT LOBBYING. To the extent this agreement is a "procurement contract" as defined by State Finance Law Sections 139-j and 139-k, by signing this agreement the contractor certifies and affirms that all disclosures made in accordance with State Finance Law Sections 139-j and 139-k are complete, true and accurate. In the event such certification is found to be intentionally false or intentionally incomplete, the State may terminate the agreement by providing written notification to the Contractor in accordance with the terms of the agreement.

25. CERTIFICATION OF REGISTRATION TO COLLECT SALES AND COMPENSATING USE TAX BY CERTAIN STATE CONTRACTORS, AFFILIATES AND SUBCONTRACTORS.

To the extent this agreement is a contract as defined by Tax Law Section 5-a, if the contractor fails to make the certification required by Tax Law Section 5-a or if during the term of the contract, the Department of Taxation and Finance or the covered agency, as defined by Tax Law 5-a, discovers that the certification, made under penalty of perjury, is false, then such failure to file or false certification shall be a material breach of this contract and this contract may be terminated, by providing written notification to the Contractor in accordance with the terms of the agreement, if the covered agency determines that such action is in the best interest of the State.

26. IRAN DIVESTMENT ACT. By entering into this Agreement, Contractor certifies in accordance with State Finance Law §165-a that it is not on the "Entities Determined to be Non-Responsive Bidders/Offerers pursuant to the New York State Iran Divestment Act of 2012" ("Prohibited Entities List") posted at:
<http://www.ogs.ny.gov/about/regs/docs/ListofEntities.pdf>

Contractor further certifies that it will not utilize on this Contract any subcontractor that is identified on the Prohibited Entities List. Contractor agrees that should it seek to renew or extend this Contract, it must provide the same certification at the time the Contract is renewed or extended. Contractor also agrees that any proposed Assignee of this Contract will be required to certify that it is not on the Prohibited Entities List before the contract assignment will be approved by the State.

During the term of the Contract, should the state agency receive information that a person (as defined in State Finance Law §165-a) is in violation of the above-referenced certifications, the state agency will review such information and offer the person an opportunity to respond. If the person fails to demonstrate that it has ceased its engagement in the investment activity which is in violation of the Act within 90 days after the determination of such violation, then the state agency shall take such action as may be appropriate and provided for by law, rule, or contract, including, but not

limited to, imposing sanctions, seeking compliance, recovering damages, or declaring the Contractor in default.

The state agency reserves the right to reject any bid, request for assignment, renewal or extension for an entity that appears on the Prohibited Entities List prior to the award, assignment, renewal or extension of a contract, and to pursue a responsibility review with respect to any entity that is awarded a contract and appears on the Prohibited Entities list after contract award.

APPENDIX B

Statement of Work between DOCCS and JPay, Inc.



NEW YORK STATE DEPARTMENT OF CORRECTIONS AND COMMUNITY SUPERVISION
(NYSDOCCS)

Project Objectives

This Statement of Work is being made pursuant to the Participating Addendum entered into by the New York State Office of General Services (“NYSOGS”) on behalf of the New York State Department of Corrections and Community Supervision (“NYSDOCCS”) and JPay Inc. (“JPAY”) having a termination date of July 31, 2022 (the “Participating Addendum”). Pursuant to the Participating Addendum, JPay will be the provider of money transfer, release debit cards, music downloads, email and related products, media account funding, and all other tablet-based technology services covered in this agreement and outlined in Exhibit A attached hereto. All services mentioned in this SOW are included in JPay’s NASPO contract.

Scope

I. Funding and Media Services (including Release Debit Cards upon release)- JPAY will be the exclusive provider of these services.

Funding

a. Media Funding Services

- i. Services will allow inmates the ability to purchase media credits via the kiosk using funds from their inmate trust account. The use of these services will afford the inmate the option to participate in a pay-per-use JPay service. These credits are non-transferable nor refundable at any time, including at the time of release, however, will be processed in accordance with the Section 1304 of New York’s Abandoned Property Law, Section 128 of New York’s Finance Law and New York State policies and procedures relating thereto (<http://www.osc.state.ny.us/ouf/reporters/files/oufhandbook.pdf>).
- ii. Fees are displayed in Exhibit A

b. Inmate Trust Account Funding Services

- i. Money Transfer services for NYSDOCCS will utilize the following:
 - 1. Lockbox – NYSDOCCS will publicize the JPay money order PO Box as the exclusive mailing address to send money orders to fund inmate trust accounts. NYSDOCCS will continue to publicize this address and policy/procedure on the NYSDOCCS website.
 - 2. The NYSDOCCS will utilize JPay’s money transfer rails (including but not limited to via www.JPay.com, facility lockbox, at MoneyGram locations, and via telephone) as methods for Friends / Family to fund an inmate’s account.
 - 3. JPay will aid in moving money from facility to facility (specific bank accounts) when an inmate is relocated and the facility where the inmate transfers from will issue a check payable in the amount of the funds JPay transfers at the end of each week.
 - 4. The NYSDOCCS will have the ability to deposit checks, such as, but not limited to, Government issued, settlement or estate checks, either into the facility lockbox at no cost or deposit directly into the inmate’s account.
- ii. Fees are displayed in Exhibit A

c. Release Debit Cards:

- i. NYSDOCCS will issue JPay Release Debit Cards to released inmates (over the age of 18) as means to disperse funds left on an Inmate’s Trust Account at time of release.



- ii. JPay and its sponsor bank may impose a minimum load amount should it be deemed necessary. The minimum amount shall not be less than \$5.00 or more than \$40.00.
- iii. Release Debit Cards may be used in conjunction with a NYSDOCCS-sponsored work release program with a separate fee structure than what is discussed in Exhibit A.
- iv. Fees are displayed in Exhibit A

Media (Kiosk and Tablet Services)

NYSDOCCS shall have discretion as to whether it shall agree to utilize any of the following media services at the rates set forth in the Pricing Exhibit (Exhibit A):

- a. 2-Way Email with content scanning – JPay will be the exclusive provider of this service.
 - i. Attachments Available
 - 1. Picture (including eCards)
 - 2. Video Attachment / VideoGram
 - ii. Printouts of text / pictures at inmate expense
- b. Video Visitation
- c. JP5 Tablet
 - i. JPay will provide a JP5S (7inch) tablet for each inmate as directed by NYSDOCCS for the life of the SOW
 - ii. These tablets will be on a “loan” basis for their use while incarcerated; when released the tablet must be returned in working order to JPay.
 - 1. JPay will not hold NYSDOCCS liable for damaged tablets; however, JPay will work with NYSDOCCS in recouping costs from an inmate who damages a tablet and/or kiosk with malice.
 - iii. Tablets issued to inmates may be refurbished units.
 - iv. JPay reserves the right to deny a tablet to an inmate who has destroyed or damaged JPay property in the past. JPay will work with the NYSDOCCS if this occurs.
 - v. JPay will provide a mechanism at no cost to the released inmate or state to provide him/her with all purchased games and music at their release.
 - vi. Each tablet will come with a set of earbuds and charger that have been reviewed and approved by NYSDOCCS. Replacement pieces can be purchased via the JPay kiosk at prices described in Exhibit A.
- d. Tablet (Player) Products – Pricing is described in Exhibit A. – Jpay will be the exclusive provider of these services.
 - i. Music downloads
 - Single Songs
 - Full Albums
 - ii. Video downloads (KA Lite Videos)
 - iii. Education (including Lantern and News Store)
 - iv. E-books
 - v. Movie Rentals
 - vi. Games
 - vii. Accessories

All content that is offered to the inmate population must be reviewed and approved by NYSDOCCS.
- e. Value-Added Services (these Value-Added Services shall be made available to NYSDOCCS at no additional cost; JPay and NYSDOCCS can discuss them at a later date):
 - i. PREA Reporting



- ii. Grievances / Information Center for Inmates
- iii. Commissary Ordering via iFrame

II. Network and Infrastructure

In general, JPay requires the following infrastructure available at each location:

1. Internet access, 3MB download/upload bandwidth (Equivalent of 2 bonded T1) or better depending on the number of kiosks at a given site.
2. Network access at each kiosk location via CAT 5 network cabling (cable runs of 100 meters or less). JPay can share existing network infrastructure and can provide appropriate appliances to supplement the facility's network where necessary.
3. For long cable runs, fiber optic cable is necessary. JPay requires two strands of multi-mode fiber. JPay will provide media converters as necessary in cases where the facility makes unused fiber available. JPay can also share existing fiber with the facility through VLAN configuration. JPay can provide appliances to perform this function if necessary.
4. As an alternative, JPay, with NYSDOCCS permission, will be permitted to use Wi-Fi and/or Wi-Max connectivity.
5. Electrical power in the form of a standard outlet is required at each kiosk location.

JPay will, with the approval and guidance of NYSDOCCS, deploy broadband networks, both wired and wireless (if approved), in all agreed upon NYSDOCCS facilities. If NYSDOCCS has any available conduit, dark fiber, or Ethernet cable available, JPay will first use these resources. JPay will provide broadband connectivity and infrastructure at its cost should NYSDOCCS not have broadband or infrastructure available. JPay will install kiosks at a ratio of 1:75 or as needed at agreed upon locations. The final number of kiosks and types of networks will be determined upon mutual agreement of both parties after site tours are complete.

III. Technical Integration

JPay agrees to work with NYSDOCCS (or its designee) in setting up a file integration with the Inmate Management system. JPay agrees that the inmate lookup will be done via Web Services while a file-swap method will be used to transfer actual deposit files. An additional integration with the IMS will be completed allowing inmates to move money directly from their trust account to the JPay Media account. Documents on current file specifications will be made available in a later Exhibit. Neither party will charge a fee for any costs associated with integrating JPay and NYSDOCCS' Inmate Management System.

Relating to Money Transfer, all funds corresponding to each day's payments are remitted to the specified bank via an Automated Clearing House ("ACH") credit each banking day. The ACH is received within 24-48 business (banking) hours and all fund transfers are detailed in batch reports available on JPay's DOC staff interface.

IV. Service Level Agreements

Kiosk and network issues are resolved within the following timeframe: between 4 hours and 4 business days. Resolution may take 4 days or longer is if this issue is considered an exception, i.e. we are waiting on an order for spare parts, we need to repair damaged fiber, clearance delays, escort issues, etc. Some issues require NYSDOCCS assistance, such as power and network failures.

Issue reporting, communications, and resolutions are handled by JPay's Help Desk Team, Field Engineering Team, and NOC (Network Operation Center).

The Help Desk is responsible for technician clearances, scheduling, assistance with mailroom PC's, inquiries from Investigators, Trust Accountants, and other staff.



Onsite Field Engineers are deployed to resolve hardware, network, and power issues. For all onsite calls, our goal is to have someone on site within 48 hours of the issue being identified and reported. As it is not always possible to have someone onsite within 48 hours, we aim to have someone onsite no later than 4 business days not including the exceptions described above.

The NOC detects prolonged downtime by watching the network and the frequency of inmate logins. The NOC performs remote reboots to resolve the vast majority of kiosk outages on the same day that they're reported. If an issue is not detected by the NOC, it is most likely detected in the inmate support tickets and in the direct communication from the NYSDOCCS staff via email and phone.

As a general rule, Kiosks are much more complicated than inmate phones and JPay fully understands the hyper-sensitivity of having the kiosks up and running as much as possible.

V. Personnel

JPay agrees to hire a minimum of 2 New York state based Field Engineers to service JPay's kiosks and networks. These Field Engineers will be supported by JPay's 24-hour Network Operations Center. JPay will assign an Account Manager who is available 24-7 who will act as the main point of contact for the contract. The Account Manager will be supported by JPay's Help Desk, so NYSDOCCS staff always have a contact should they need assistance.

VI. Marketing

For a successful launch, it is imperative that the inmate population, friends and families are well aware of the service and its offerings. Before launching any service, NYSDOCCS will notify the public about the details of the program. The NYSDOCCS website will be updated to include JPay product information, instructions on how to use JPay, and a link to our customized New York State landing page. JPay will work with NYSDOCCS to distribute printed materials.

VII. Training

JPay will deploy a team that will work with NYSDOCCS' designated point of contact to customize the training deliverables and objectives. Training will generally be conducted using live training, remote training, and content and literature distribution.

Upon turning on the kiosks at each facility, the JPay Account Manager will conduct onsite training with staff and with inmates by doing inmate town hall sessions. This will be coordinated between the Account Manager and NYSDOCCS staff upon each site launch.

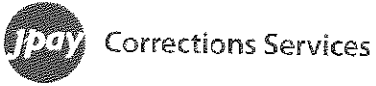
JPay may also produce infomercials for the intra circuit TV system in the prisons which must be reviewed and approved by NYSDOCCS.

JPay's inmate ticket team handles inquiries on a daily basis.

Suggested attendees for training sessions (*training sessions are organized by respective roles*):

1. Superintendent
2. Security Personnel
3. Inmate Accounts / Business Office Personnel
4. Deputy Superintendent
5. Guidance Staff

VIII. SOW Term



The term of this Statement of Work shall commence on the date of signature by the NYS Office of the State Comptroller and will continue until July 31, 2022.

SOW APPROVED AND AGREED TO:

**New York State Department of Corrections
and Community Supervision**

Sandra Downey
(Authorized Signature)

Sandra Downey
(Print or Type Name of Signatory)

DIRECTOR OF
BUDGET & FINANCE
(Title)

6/19/17
(Date)

JPay Inc.

[Signature]
(Authorized Signature)

Errol Feldman
(Print or Type Name of Signatory)

CEO
(Title)

6/13/17
(Date)

APPENDIX C

MWBE & EEO Information

APPENDIX C

PARTICIPATION BY MINORITY AND WOMEN-OWNED BUSINESS ENTERPRISES: REQUIREMENTS AND PROCEDURES

I. General Provisions

- A. The Department of Corrections and Community Supervision (hereinafter referred to as "DOCCS") is required to implement the provisions of New York State Executive Law Article 15-A and Parts 140-145 of Title 5 of the New York Codes, Rules and Regulations ("NYCRR") for all State contracts, as defined therein, with a value (1) in excess of \$25,000 for labor, services, equipment, materials, or any combination of the foregoing or (2) in excess of \$100,000 for real property renovations and construction.
- B. The contractor to the subject contract (the "Contractor" and the "Contract," respectively) agrees, in addition to any other nondiscrimination provision of the Contract and at no additional cost to "DOCCS, to fully comply and cooperate with DOCCS in the implementation of New York State Executive Law Article 15-A and the regulations promulgated thereunder. These requirements include equal employment opportunities for minority group members and women ("EEO") and contracting opportunities for New York State-certified minority and women-owned business enterprises ("MWBEs"). The Contractor's demonstration of "good faith efforts" pursuant to 5 NYCRR § 142.8 shall be a part of these requirements. These provisions shall be deemed supplementary to, and not in lieu of, the nondiscrimination provisions required by New York State Executive Law Article 15 (the "Human Rights Law") and other applicable federal, state, and local laws.
- C. Failure to comply with all of the requirements herein may result in a finding of non-responsiveness, non-responsibility and/or a breach of contract, leading to the assessment of liquidated damages pursuant to Section VII of this Appendix and such other remedies are available to DOCCS pursuant to the Contract and applicable law.

II. Contract Goals

- A. For purposes of this procurement, DOCCS has determined that the contract does not offer sufficient opportunities to set goals for participation by MWBEs as subcontractors, service providers and suppliers to the awarded contractor. Contractor is encouraged to make every good faith effort to promote and assist the participation of New York State Certified Minority and Women-owned Business Enterprises (MWBE) on this contract for the provision of services or materials. To locate New York State Certified MWBEs, the directory of Certified Businesses can be viewed at: <https://ny.newnycontracts.com>
- B. For purposes of providing meaningful participation by MWBEs on the Contract and achieving the MWBE Contract Goals established in Section II-A hereof, the Contractor should reference the directory of MWBEs at the following internet address: <https://ny.newnycontracts.com>.

APPENDIX C

Additionally, the Contractor is encouraged to contact the Division of Minority and Women's Business Development at (212) 803-2414 to discuss additional methods of maximizing participation by MWBEs on the Contract.

- C. The Contractor understands that only sums paid to MWBEs for the performance of a commercially useful function, as that term is defined in 5 NYCRR § 140.1, may be applied towards the achievement of the applicable MWBE participation goal.

The portion of a contract with an MWBE serving as a broker that shall be deemed to represent the commercially useful function performed by the MWBE shall be 25 percent of the total value of the contract.

- D. The Contractor must document "good faith efforts," pursuant to 5 NYCRR § 142.8, to provide meaningful participation by MWBEs as subcontractors and suppliers in the performance of the Contract. Such documentation shall include, but not necessarily be limited to:

1. Evidence of outreach to MWBEs;
2. Any responses by MWBEs to the Contractor's outreach;
3. Copies of advertisements for participation by MWBEs in appropriate general circulation, trade, and minority or women-oriented publications;
4. The dates of attendance at any pre-bid, pre-award, or other meetings, if any, scheduled by DOCCS with MWBEs; and,
5. Information describing specific steps undertaken by the Contractor to reasonably structure the Contract scope of work to maximize opportunities for MWBE participation.

III. Equal Employment Opportunity ("EEO")

- A. The provisions of Article 15-A of the Executive Law and the rules and regulations promulgated thereunder pertaining to equal employment opportunities for minority group members and women shall apply to the Contract.

- B. In performing the Contract, the Contractor shall:

1. Ensure that each contractor and subcontractor performing work on the Contract shall undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status. For these purposes, EEO shall apply in the areas of recruitment, employment, job assignment, promotion, upgrading, demotion, transfer, layoff, or termination and rates of pay or other forms of compensation.
2. The Contractor shall submit an EEO policy statement to DOCCS within seventy-two (72) hours after the date of the notice by DOCCS to award the Contract to the Contractor.
3. If the Contractor, or any of its subcontractors, does not have an existing EEO policy statement, DOCCS may require the Contractor or subcontractor to adopt a model statement (see Form – Equal Employment Opportunity Policy Statement).

APPENDIX C

4. The Contractor's EEO policy statement shall include the following language:
 - a. The Contractor will not discriminate against any employee or applicant for employment because of race, creed, color, national origin, sex, age, disability, or marital status, will undertake or continue existing EEO programs to ensure that minority group members and women are afforded equal employment opportunities without discrimination, and shall make and document its conscientious and active efforts to employ and utilize minority group members and women in its work force.
 - b. The Contractor shall state in all solicitations or advertisements for employees that, in the performance of the contract, all qualified applicants will be afforded equal employment opportunities without discrimination because of race, creed, color, national origin, sex, age, disability or marital status.
 - c. The Contractor shall request each employment agency, labor union, or authorized representative of workers with which it has a collective bargaining or other agreement or understanding, to furnish a written statement that such employment agency, labor union, or representative will not discriminate on the basis of race, creed, color, national origin, sex age, disability or marital status and that such union or representative will affirmatively cooperate in the implementation of the Contractor's obligations herein.
 - d. The Contractor will include the provisions of Subdivisions (a) through (c) of this Subsection 4 and Paragraph "E" of this Section III, which provides for relevant provisions of the Human Rights Law, in every subcontract in such a manner that the requirements of the subdivisions will be binding upon each subcontractor as to work in connection with the Contract.

C. Form EEO 100 - Staffing Plan

To ensure compliance with this Section, the Contractor shall submit a staffing plan to document the composition of the proposed workforce to be utilized in the performance of the Contract by the specified categories listed, including ethnic background, gender, and Federal occupational categories. The Contractor shall complete the staffing plan form and submit it as part of their bid or proposal or within a reasonable time, as directed by DOCCS.

D. Form EEO-1 - Workforce Utilization Report

1. The Contractor shall submit a Workforce Utilization Report, and shall require each of its subcontractors to submit a Workforce Utilization Report, in such form as shall be required by DOCCS on a QUARTERLY basis during the term of the Contract.
 2. Separate forms shall be completed by the Contractor and any subcontractors.
- E. The Contractor shall comply with the provisions of the Human Rights Law, and all other State and Federal statutory and constitutional non-discrimination provisions. The Contractor and its subcontractors shall not discriminate against any employee or applicant for employment because of race, creed (religion), color, sex, national origin, sexual orientation, military status, age, disability, predisposing genetic characteristic, marital

APPENDIX C

status or domestic violence victim status, and shall also follow the requirements of the Human Rights Law with regard to non-discrimination on the basis of prior criminal conviction and prior arrest.

IV. Quarterly MWBE Contractor Compliance Report

The Contractor is required to submit a quarterly MWBE Contractor Compliance Report through the NYSCS, provided, however, that the Contractor may arrange to provide such report via a non-electronic method to DOCCS by the 10th day following the end of each quarter or month as applicable during the term of the Contract.

V. Liquidated Damages - MWBE Participation

- A. Where DOCCS determines that the Contractor is not in compliance with the requirements of this Appendix and the Contractor refuses to comply with such requirements, or if the Contractor is found to have willfully and intentionally failed to comply with the MWBE participation goals, the Contractor shall be obligated to pay to DOCCS liquidated damages.
- B. Such liquidated damages shall be calculated as an amount equaling the difference between:
 1. All sums identified for payment to MWBEs had the Contractor achieved the contractual MWBE goals; and
 2. All sums actually paid to MWBEs for work performed or materials supplied under the Contract.
- C. In the event a determination has been made which requires the payment of liquidated damages and such identified sums have not been withheld by DOCCS, the Contractor shall pay such liquidated damages to DOCCS within sixty (60) days after they are assessed. Provided, however, that if the Contractor has filed a complaint with the Director of the Division of Minority and Women's Business Development pursuant to 5 NYCRR § 142.12, liquidated damages shall be payable only in the event of a determination adverse to the Contractor following the complaint process.

APPENDIX D

**Originating Contract, RFP/Contract #1901 including
Amendments**

STATEWIDE MASTER SERVICE AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract between the National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA)
Acting by and through the State of Nevada

**Department of Administration
Purchasing Division
515 E. Musser Street, Suite 300
Carson City, Nevada 89701
Contact: Ronda Miller, Purchasing Officer
Phone: (775) 684-0182 Fax: (775) 684-0188
E-mail: rmiller@purchasing.state.nv.us**

and

**JPay Inc.
12864 Biscayne Blvd, Suite 243
Miami, Florida 33181
Contact: Errol Feldman, General Counsel
Phone: (305) 577-5543 Fax: (305) 893-8895
E-mail: efeldman@jpay.com**

Pursuant to Nevada Revised Statute (NRS) 277.100, NRS 277.110, NRS 333.162(1)(d), and NRS 333.480 the Chief of the Purchasing Division of Nevada is authorized to enter into cooperative group-contracting consortium.

The National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA) is a cooperative group-contracting consortium for state government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc).

In consideration of the above premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL**. This contract shall not become effective until and unless approved by the Western States Contracting Alliance Board of Directors.
2. **DEFINITIONS**. "NASPO" means the National Association of State Procurement Officials. "MCPA" means the Multi-State Corrections Procurement Alliance. "State" and/or "Lead State" means the State of Nevada and its state agencies, officers, employees and immune contractors as defined in NRS 41.0307. "Participating State(s)" means state(s) that have signed (and not revoked) an Intent to Contract at the time of the award of this contract, or who have executed a Participating Addendum. "Buyer" means any NASPO/MCPA agency or political subdivision participating under this contract. "Contractor" and/or

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Contracting Agency” means a person or entity that performs services and/or provides goods for NASPO/MCPA under the terms and conditions set forth in this contract. “Solicitation” means RFP #1901 incorporated herein as Attachment AA. “Fiscal Year” is defined as the period beginning July 1 and ending June 30 of the following year.

3. CONTRACT TERM. This contract shall be effective from August 1, 2011 subject to NASPO/MCPA Board of Directors’ approval to July 31, 2015, unless sooner terminated by either party as specified in paragraph (20).

4. CANCELLATION OF CONTRACT; NOTICE. Unless otherwise stated in the special terms and conditions, any contract entered into as a result of the Solicitation may be canceled by either party upon written notice sixty (60) days prior to the effective date of the cancellation. Further, any Participating State may cancel its participation upon thirty (30) days written notice, unless otherwise limited or stated in the special terms and conditions of the Solicitation. Cancellation may be in whole or in part. Any cancellation under this provision shall not effect the rights and obligations attending orders outstanding at the time of cancellation, including any right of any Participating State to indemnification by the Contractor, rights of payment for goods/services delivered and accepted, and rights attending any warranty or default in performance in association with any order. Cancellation of the contract due to Contractor default may be immediate.

5. INCORPORATED DOCUMENTS. The parties agree that the scope of work shall be specifically described; this contract incorporates the following attachments in descending order of constructive precedence:

ATTACHMENT AA: SOLICITATION #1901 (SCOPE OF WORK) AND AMENDMENTS 1,2,3,4, AND 5;
ATTACHMENT BB: INSURANCE SCHEDULE; AND
ATTACHMENT CC: CONTRACTOR'S RESPONSE

A Contractor's attachment shall not contradict or supersede any NASPO/MCPA specifications, terms or conditions without written evidence of mutual assent to such change appearing in this contract.

6. ASSENT. The parties agree that the terms and conditions listed on incorporated attachments of this contract are also specifically a part of this contract and are limited only by their respective order of precedence and any limitations specified.

7. BID SPECIFICATIONS. Contractor certifies that any deviation from the specifications in the scope of work, incorporated herein as part of Attachment AA, have been clearly indicated by Contractor in its response, incorporated herein as Attachment BB; otherwise, it will be considered that the bid is in strict compliance. Any BRAND NAMES or manufacturers’ numbers are stated in the specifications are intended to establish a standard only and are not restrictive unless the Solicitation states “no substitute,” and unless so stated, bids have been considered on other makes, models or brands having comparable quality, style, workmanship and performance characteristics. Alternate bids offering lower quality or inferior performance have not been considered.

8. ACCEPTANCE OR REJECTION OF BIDS, AND AWARD. NASPO/MCPA has the right to accept or reject any or all bids or parts of bids, and to waive informalities therein. This contract is based the lowest responsive and responsible bid and meets the specifications of the Solicitation and terms and

conditions thereof. Unless stated otherwise in the Solicitation, NASPO/MCPA has the right to award items separately or by grouping items in a total lot.

9. **BID SAMPLES.** Any required samples have been specifically requested in the Solicitation. Samples, when required, have been furnished free of charge. Except for those samples destroyed or mutilated in testing, samples will be returned at a bidder's request, transportation collect.

10. **CONSIDERATION.** The parties agree that Contractor will provide the services specified in paragraph (5). **Contractor shall report contract utilization and pay an administrative fee of .5% of the total kiosk spend to MCPA, paid quarterly within 60 days of the end of the quarter. Inmates or family/friends of inmates to be charged a transaction fee for each service as listed in contractor's cost proposal.**

Contractor shall pay the participating State a commission for each service purchased by inmates as follows:

Services	Commission/Rate
Email (per Outbound eMessage)	\$ 0.05
Purchasing Music	5.0%
MP3 Player (per device)	\$ 5.00
IP5 Tablet (per device)	\$10.00
Inmate Banking (per inbound transfer)	\$ 0.50

Contracted prices represent ceiling prices for the supplies and services offered. The Contractor shall report to the Lead State any price reduction or discount, or other more favorable terms offered to any Purchasing Entity and the Contractor agrees to negotiate in good faith to re-establish ceiling prices or other more favorable terms and conditions applicable to future orders. Bid prices must remain firm for the full term of the contract. NASPO/MCPA does not guarantee to purchase any amount under this contract. Estimated quantities in the Solicitation are for bidding purposes only and are not to be construed as a guarantee to purchase any amount.

11. **PAYMENT.** Payment for completion of a contract is normally made within thirty (30) days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After forty-five (45) days the Contractor may assess overdue account charges up to a maximum rate of one (1) percent per month on the outstanding balance. Payments will be remitted by mail. Payments may be made via a Participating State's "Purchasing Card."

12. **TAXES.** Prices shall be exclusive of state sales and federal excise taxes. Where a Participating State is not exempt from sales taxes on sales within its state, the Contractor shall add the sales taxes on the billing invoice as a separate entry. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. The Lead State's real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and NRS 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this contract. Nevada may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.

13. **FINANCIAL OBLIGATIONS OF PARTICIPATING STATES.** Financial obligations of Participating States are limited to the orders placed by the departments or other state agencies and institutions having

available funds. Participating States incur no financial obligations on behalf of political subdivisions. Unless otherwise specified in the Solicitation, the resulting award(s) will be permissive.

14. ORDER NUMBERS. Contract order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.

15. REPORTS. The Contractor shall submit quarterly reports to the NASPO/MCPA Contract Administrator showing the quantities and dollar volume of purchases by each Participating State. **BS**

16. DELIVERY. The prices bid shall be the delivered price to any NASPO/MCPA state agency or political subdivision. All deliveries shall be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain with the Contractor until final inspection and acceptance, when responsibility shall pass to the Buyer except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an order to be shipped without transportation charges that is back-ordered shall be shipped without charge.

17. HAZARDOUS CHEMICAL INFORMATION. The Contractor will provide one set of the appropriate material safety data sheet(s) and container label(s) upon delivery of a hazardous material to any Buyer. All safety data sheets and labels will be in accordance with each Participating State's requirements.

18. INSPECTIONS. Goods furnished under this contract shall be subject to inspection and test by the Buyer at times and places determined by the Buyer. If the Buyer finds goods furnished to be incomplete or in non-compliance with bid specifications, the Buyer may reject the goods and require Contractor to either correct them without charge or deliver them at a reduced price which is equitable under the circumstances.

If Contractor is unable or refuses to correct such goods within a time deemed reasonable by the Buyer, the Buyer may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the Buyer's rights including the rights and remedies associated with revocation of acceptance under the Uniform Commercial Code.

19. INSPECTION & AUDIT.

a. Books and Records. The Contractor will maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. Contractor agrees to keep and maintain under generally accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to NASPO/MCPA, the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with a 15 day written notice by NASPO/MCPA; the United States Government; the State Auditor or its contracted examiners, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the

Inspector General, or any of their authorized representatives. All subcontracts shall reflect requirements of this paragraph.

c. Period of Retention. All books, records, reports, and statements relevant to this contract must be retained a minimum four (4) years after the contract terminates or until all audits initiated within the four (4) years have been completed, whichever is later, and for five (5) years if any federal funds are used in the contract. The retention period runs from the date of payment for the relevant goods or services by the State, or from the date of termination of the Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

20. CONTRACT TERMINATION. Any of the following events shall constitute cause for NASPO/MCPA to declare Contractor in default of the contract: (1) nonperformance of contractual requirements; and/or (2) a material breach of any term or condition of this contract. NASPO/MCPA shall issue a written notice of default providing a period in which Contractor shall have an opportunity to cure. Time allowed for cure shall not diminish or eliminate Contractor's liability for damages. If the default remains, after Contractor has been provided the opportunity to cure, NASPO/MCPA may do one or more of the following: (1) exercise any remedy provided by law; (2) terminate this contract and any related contracts or portions thereof; (3) impose liquidated damages; and/or (4) suspend Contractor from receiving future bid solicitations.

Winding Up Affairs Upon Termination. In the event of termination of this contract for any reason, the parties agree that the provisions of this paragraph survive termination:

- i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;
- ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by NASPO/MCPA;
- iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this contract if so requested by NASPO/MCPA;
- iv. Contractor shall preserve, protect and promptly deliver into NASPO/MCPA's possession all proprietary information in accordance with paragraph (29).

21. REMEDIES. Except as otherwise provided for by law or this contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for attorneys employed by the Lead State. Nevada may set off consideration against any unpaid obligation of Contractor to any State agency in accordance with NRS 353C.190.

22. LIMITED LIABILITY. Nevada will not waive and intends to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any breach by the Lead State shall never exceed the amount of funds appropriated for payment under this contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the breach. Damages for any Contractor breach shall not exceed 150% of the contract maximum "not to exceed" value. Contractor's tort liability shall not be limited.

Effective 04/07

23. **FORCE MAJEURE.** Neither party to this contract shall be deemed to be in violation of this contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the contract after the intervening cause ceases. NASPO/MCPA may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.

24. **INDEMNIFICATION.** To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend, not excluding the State's right to participate, the lead State, NASPO/MCPA from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Contractor, its officers, employees and agents. The Contractor shall release, protect, indemnify and hold NASPO/MCPA and the respective states and their officers, agencies, employees, harmless from and against any damage, cost or liability, including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages arising from acts or omissions of the contractor, his employees or subcontractors or volunteers except in cases in which the liability, claims, actions, damages, losses or expenses are caused exclusively or primarily by the State's negligent or willful acts or omissions.

25. **COMPLIANCE WITH LEGAL OBLIGATIONS.** Any and all supplies, services and equipment bid and furnished shall comply fully with all applicable Federal and State laws and regulations. Contractor shall procure and maintain for the duration of this contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this contract. The Lead State may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.

26. **WAIVER OF BREACH.** Failure to declare a breach or the actual waiver of any particular breach of the contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

27. **SEVERABILITY.** If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

28. **ASSIGNMENT/DELEGATION.** To the extent that any assignment of any right under this contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by State, such offending portion of the assignment shall be void, and shall be a breach of this contract. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the NASPO/MCPA Contract Administrator.

29. OWNERSHIP OF PROPRIETARY INFORMATION. Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under the contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this contract shall be the exclusive property of NASPO/MCPA and all such materials shall be delivered into NASPO/MCPA possession by Contractor upon completion, termination, or cancellation of this contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this contract without the prior written consent of NASPO/MCPA. Notwithstanding the foregoing, NASPO/MCPA shall have no proprietary interest in any materials licensed for use that are subject to patent, trademark or copyright protection.

30. PATENTS, COPYRIGHTS, ETC. The Contractor shall release, indemnify and hold NASPO/MCPA, the State, and Participating States and their officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract.

31. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The State will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 333.333, provided that Contractor thereby agrees to indemnify and defend the State for honoring such a designation. The failure to so label any document that is released by the State shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

32. CONFIDENTIALITY. Contractor shall keep confidential all information, in whatever form, produced, prepared, observed or received by Contractor to the extent that such information is confidential by law or otherwise required by this contract.

33. NONDISCRIMINATION. Contractor agrees to abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1964 (42 USC 2000e), which prohibit discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age, and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Contractor further agrees to furnish information and reports to requesting Participating States, upon request, for the purpose of determining compliance with these statutes. Contractor agrees to comply with each individual Participating State's certification requirements, if any, as stated in the special terms and conditions. This contract may be canceled if the Contractor fails to comply with the provisions of these laws and regulations. Contractor must include this provision in every subcontract relating to purchases by the States to insure that subcontractors and vendors are bound by this provision.

34. **FEDERAL FUNDING.** In the event federal funds are used for payment of all or part of this contract:

a. Contractor certifies, by signing this contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

35. **LOBBYING.** The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

a. Any federal, state, county or local agency, legislature, commission, counsel or board;

b. Any federal, state, county or local legislator, commission member, counsel member, board member, or other elected official; or

c. Any officer or employee of any federal, state, county or local agency; legislature, commission, counsel or board.

36. **NON-COLLUSION.** Contractor certifies that this contract and the underlying bid, have been arrived at independently and have been without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the invitation to bid, designed to limit independent bidding or competition.

37. **WARRANTIES.**

a. **Uniform Commercial Code.** The Contractor acknowledges that the Uniform Commercial Code applies to this contract. In general, the contractor warrants that: (a) the product will do what the salesperson said it would do, (b) the product will live up to all specific claims that the manufacturer makes in their advertisements, (c) the product will be suitable for the ordinary purposes for which such product is used, (d) the product will be suitable for any special purposes that the Buyer has relied on the Contractor's skill or judgment to consider.

b. **General Warranty.** Contractor warrants that all services, deliverables, and/or work product under this contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

c. **System Compliance.** Contractor warrants that any information system application(s) shall not experience abnormally ending and/or invalid and/or incorrect results from the application(s) in the operating and testing of the business of the State. This warranty includes, without limitation, century

recognition, calculations that accommodate same century and multicentury formulas and data values and date data interface values that reflect the century.

38. CONFLICT OF INTEREST. Contractor certifies that it has not offered or given any gift or compensation prohibited by the state laws of any NASPO/MCPA participants to any officer or employee of NASPO/MCPA or participating states to secure favorable treatment with respect to being awarded this contract.

39. INDEPENDENT CONTRACTOR. Contractor shall be an independent contractor, and as such shall have no authorization, express or implied to bind NASPO/MCPA or the respective states to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent for NASPO/MCPA or the states, except as expressly set forth herein.

40. POLITICAL SUBDIVISION PARTICIPATION. Participation under this contract by political subdivisions (i.e., colleges, school districts, counties, cities, etc.,) of the NASPO/MCPA Participating States shall be voluntarily determined by the political subdivision. The Contractor agrees to supply the political subdivisions based upon the same terms, conditions and prices.

41. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this contract on behalf of each party has full power and authority to enter into this contract. Contractor acknowledges that as required by statute or regulation this contract is effective only after approval by the NASPO/MCPA Board of Directors and only for the period of time specified in the contract. Any services performed by Contractor before this contract is effective or after it ceases to be effective are performed at the sole risk of Contractor. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency.

42. GOVERNING LAW; JURISDICTION. This contract and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the state of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. The parties consent to the exclusive jurisdiction of the First Judicial District Court, Carson City, Nevada for enforcement of this contract. The construction and effect of any Participating Addendum or order against the contract(s) shall be governed by and construed in accordance with the laws of the Participating State. Venue for any claim, dispute or action concerning an order placed against the contract(s) or the effect of a Participating Addendum or shall be in the Purchasing State.

43. SIGNATURES IN COUNTERPART. Contract may be signed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one in the same instrument.

44. ENTIRE CONTRACT AND MODIFICATION. This contract and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this contract specifically displays a mutual intent to amend a particular part of this contract, general conflicts in language between any such attachment and this contract shall be construed consistent with the terms of this contract. The terms of this contract shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the NASPO/MCPA Contract Administrator.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be signed and intend to be legally bound thereby.



Independent Contractor's Signature

6/29/11 CEO

Date Independent Contractor's Title

Signature

Date Title



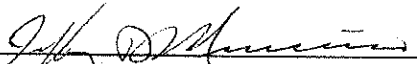
Greg Smith, Administrator, State of Nevada

Approved by NASPO/MCPA Board of Directors

On 7-19-11 Administab

(Date)

Approved as to form by:



Deputy Attorney General for Attorney General

On 5 July 11

(Date)

**ATTACHMENT BB
INSURANCE SCHEDULE**

INDEMNIFICATION CLAUSE:

Contractor shall indemnify, hold harmless and, not excluding the State's right to participate, defend the State, its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs, (hereinafter referred to collectively as "claims") for bodily injury or personal injury including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State.

INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Nevada shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

a. Policy shall contain a waiver of subrogation against the State of Nevada.

- b. This requirement shall not apply when a contractor or subcontractor is exempt under N.R.S., AND when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

3. **Fidelity Bond or Crime Insurance**
Bond or Policy Limit

\$ _____

NOTE: A FIDELITY BOND MAY BE NEGOTIATED AT THE DISCRETION OF EACH PARTICIPATING STATE.

- a. The bond or policy shall be issued with limits based on the amount of cash being handled by the Contractor.
- b. The bond or policy shall include coverage for all directors, officers, agents and employees of the Contractor.
- c. The bond or policy shall include coverage for third party fidelity and name the State of Nevada as loss payee.
- d. The bond or policy shall include coverage for extended theft and mysterious disappearance.
- e. The bond or policy shall not contain a condition requiring an arrest and conviction.

B. **ADDITIONAL INSURANCE REQUIREMENTS:** The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the State of Nevada is named as an additional insured, the State of Nevada shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

C. **NOTICE OF CANCELLATION:** Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the State, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to **Mail all required insurance documents to the Lead State (Nevada).**

D. **ACCEPTABILITY OF INSURERS:** Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A- VII. The State in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. **VERIFICATION OF COVERAGE:** Contractor shall furnish the State with certificates of insurance (ACORD form or equivalent approved by the State) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the State before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

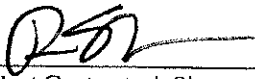
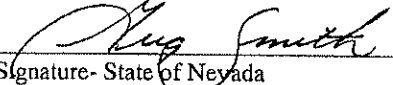
All certificates required by this Contract shall be sent directly to **Mail all required insurance documents to the Lead State (Nevada).** The State project/contract number and project description shall be noted on the certificate of insurance. The State reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to the State separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. **APPROVAL:** Any modification or variation from the insurance requirements in this Contract shall be made by the Attorney General's Office or the Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

Mail all required insurance documents to the Lead State (Nevada).

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

 _____	Date	<u>6/29/11</u>	<u>CEO</u>
Independent Contractor's Signature		Independent's Contractor's Title	
 _____	Date	<u>7-19-11</u>	<u>Administrator</u>
Signature- State of Nevada		Date	Title

Attachment BB Page 3 of 3

RMIns rev 03/08

AMENDMENT # 01

STATEWIDE MASTER SERVICE AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract between the National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA)
Acting by and through the State of Nevada

Department of Administration
Purchasing Division
515 E. Musser Street, Suite 300
Carson City, Nevada 89701
Contact: Ronda Miller, Purchasing Officer
Phone: (775) 684-0182 • Fax: (775) 684-0188
E-mail: rlmiller@admin.nv.gov

and

JPay Inc.
12864 Biscayne Blvd, Suite 243
Miami, Florida 33181
Contact: Errol Feldman, General Counsel
Phone: (305) 577-5543 Fax: (305) 893-8895
E-mail: efeldman@jpay.com

1. **AMENDMENTS.** For and in consideration of mutual promises and/or their valuable considerations, all provisions of the original contract resulting from Request for Proposal #1901 and dated July 19, 2011, attached hereto as Exhibit B, remain in full force and effect with the exception of the following:

- A. To extend the current contract an additional two (2) years from August 1, 2011 to July 31, 2018. *total*
- B. To add additional service options as outlined in the listing attached hereto as Exhibit A.

Current Contract Language:

3. **CONTRACT TERM.** This contract shall be effective from August 1, 2011 subject to NASPO/MCPA Board of Directors' approval to July 31, 2015, unless sooner terminated by either party as specified in paragraph (20).

Amended Contract Language:

3. **CONTRACT TERM.** This contract shall be effective from August 1, 2011 subject to NASPO/MCPA Board of Directors' approval to July 31, 2018, unless sooner terminated by either party as specified in paragraph (20).

2. **INCORPORATED DOCUMENTS.** Exhibit 1 (Original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.

3. **REQUIRED APPROVAL.** This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.

<u>Current services</u>	<u>Cost</u>
Customer to Government Payments (section 3.2.1.1.2 "Banking")	See Cost Proposal 1901
General money transfer services for prison commissary accounts, "Sending Money With a Credit/Debit Card"	See Cost Proposal 1901
Credit/debit card via phone and internet	See Cost Proposal 1901
Lobby kiosk with credit/debit cards and cash	See Cost Proposal 1901
money order lockbox, aka "automated lockbox"	See Cost Proposal 1901
walk in cash payments at retailers like MoneyGram/Walmart	See Cost Proposal 1901
Inmate Kiosks	See Cost Proposal 1901
inbound and outbound email for inmates	See Cost Proposal 1901
Video-visitation	See Cost Proposal 1901
MP3 and music sales	See Cost Proposal 1901

<u>Services to Add via Amendment</u>	<u>Cost</u>
Tablets	
Tablet with 16G Memory	\$59.99
Tablet with 32G Memory	\$69.99
Content on the Tablet (an extension of section 3.2.1.8 - MP3 - Download / Purchasing of Music)	
Educational content downloads and subscriptions	\$2.00 - \$250.00
E-books	\$2.00 - \$25.00
Movie and movie rentals	\$2.00 - \$25.00
Approved Games	\$2.00 - \$25.00
Downloading/Uploading inmate kiosk content onto the tablet	No cost - \$5.00
Additional Kiosk Services	
Cell Phone Detection (an extension the inmate kiosk network solution; the technology is installed within the kiosks and is run on the kiosk network infrastructure)	TBD
Commissary Ordering Application from the Kiosk	\$0.00 - \$1.00 per order
Video Visitation Services	
Customer to Inmate & Inmate to Customer web video calling	\$0.30 cents a minute
Care Packages	

Commissary related items purchased by friends and family and sent to inmates

Based on items purchased

Payment Related Software Packages

Offender Banking and Accounting Software Package System
Commissary Software Package Systems

TBD
TBD

Release Debit Cards

Card Activation
 ATM Withdrawal
 ATM Decline
 Pin and Signature Purchase
 Pin/Sig Decline
 Monthly Service Fee
 Replace Card
 Expedite Card
 Account Closure
 Auto Customer Service
 Live Customer Service
 Inactivity Fee
 Statement Print

\$0.00 - \$13.00
 \$2.00
 \$0.50
 \$0.70
 \$0.50
 \$0.00-\$3.00
 \$5.00
 \$30.00
 \$9.95
 \$0.25
 \$1.00
 \$2.99
 \$1.50

**Booking Kiosks
Bail/Bond Kiosks**

No cost -\$5.00
No cost -10%

**Parole and Probation Payments and Consumer to Government Payments (i.e. fees and fines)
Outbound Payment Reminders**

Same as 3.2.1.2
\$0.00 - \$1.00

Payment Related Software Packages

Case Management Software Package System
 Alcohol Monitoring
 Alcohol Interlock and System
 Electronic Monitoring Software Package System and Products
 Telephone Reporting Software Package System

TBD
TBD
TBD
TBD
TBD

AMENDMENT # 02

STATEWIDE MASTER SERVICE AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract between the National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA)
Acting by and through the State of Nevada

Department of Administration
Purchasing Division
515 E. Musser Street, Suite 300
Carson City, Nevada 89701
Contact: Ronda Miller, Purchasing Officer
Phone: (775) 684-0182 • Fax: (775) 684-0188
E-mail: rlmiller@admin.nv.gov

and

JPay Inc.
12864 Biscayne Blvd, Suite 243
Miami, Florida 33181
Contact: Errol Feldman, General Counsel
Phone: (305) 577-5543 Fax: (305) 893-8895
E-mail: efeldman@jpay.com

1. **AMENDMENTS.** For and in consideration of mutual promises and/or their valuable considerations, all provisions of the original contract resulting from Request for Proposal #1901 and dated July 19, 2011, attached hereto as Exhibit B, remain in full force and effect with the exception of the following:
 - A. To extend the current contract from July 31, 2018 to July 31, 2022 to allow vendors ample time to recoup their costs. *4 yr extension - total 10 yrs*

Current Contract Language:

3. **CONTRACT TERM.** This contract shall be effective from August 1, 2011 subject to NASPO/MCPA Board of Directors' approval to July 31, 2018, unless sooner terminated by either party as specified in paragraph (20).

Amended Contract Language:

3. **CONTRACT TERM.** This contract shall be effective from August 1, 2011 subject to NASPO/MCPA Board of Directors' approval to July 31, 2022, unless sooner terminated by either party as specified in paragraph (20).
2. **INCORPORATED DOCUMENTS.** Exhibit 1 (Original Contract) is attached hereto, incorporated by reference herein and made a part of this amended contract.
3. **REQUIRED APPROVAL.** This amendment to the original contract shall not become effective until and unless approved by the Nevada State Board of Examiners.



SUBJECT: Amendment No. 5 to Request for Proposal No. 1901
DATE OF AMENDMENT: April 26, 2011
DATE OF RFP RELEASE: March 24, 2011
DATE AND TIME OF OPENING: May 4, 2011 @ 2:00 p.m.
AGENCY CONTACT: Ronda Miller, Senior Buyer

RFP
Amendment 5

The following shall be a part of RFP No. 1901 for *Inmate Kiosks*. If a vendor submits a proposal and any of the information provided below changes that proposal, please submit the changes along with this amendment. You need not re-submit an entire proposal prior to the opening date and time.

RFP EVALUATION COMMITTEE REVISION:

Section 8.3.1; Part I: Technical Proposal. Copy to be sent to New Evaluator:

Warden Steve Hargett
40 Pippin Road/ PO Box 160
Newcastle, WY 82701
Phone: 307-746-4436

Attached file is complete list of evaluators:



RFP 1901 LIST OF
EVALUATORS.pdf

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

ALL ELSE REMAINS THE SAME FOR RFP 1901.

Vendor shall sign and return this amendment with proposal submitted.

NAME OF VENDOR _____

AUTHORIZED
SIGNATURE _____

TITLE _____

DATE _____

RFP 1901 Amendment 5

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal



SUBJECT: Amendment No. 4 to Request for Proposal No. 1901
DATE OF AMENDMENT: April 20, 2011
DATE OF RFP RELEASE: March 24, 2011
DATE AND TIME OF OPENING: May 4, 2011 @ 2:00 p.m.
AGENCY CONTACT: Ronda Miller, Procurement Staff Mem

RFP
Amendment 4

The following shall be a part of RFP No. 1901 for *Inmate Kiosks*. If a vendor l
a proposal and any of the information provided below changes that proposal, please submit the
changes along with this amendment. You need not re-submit an entire proposal prior to the
opening date and time.

ADDITIONAL STATE INTENDING TO PARTICIPATE:

Hawaii

CLARIFICATION TO QUESTION 20 FROM THE STATE OF NEVADA:

STATED:

20. How many electronic messages is the DOC receiving per year? • Incoming • Outgoing
NV – None; NDOC currently does not allow electronic mail.

SHOULD STATE:

20. How many electronic messages is the DOC receiving per year? • Incoming • Outgoing
NV –NDOC currently allows incoming electronic mail. 12 month average is 5300 per month.

ALL ELSE REMAINS THE SAME FOR RFP 1901.

Vendor shall sign and return this amendment with proposal submitted.

NAME OF VENDOR _____

AUTHORIZED
SIGNATURE _____

TITLE _____

DATE _____

RFP 1901 Amendment 4

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal



SUBJECT: Amendment No. 3 to Request for Proposal No. 1901
DATE OF AMENDMENT: April 15, 2011
DATE OF RFP RELEASE: March 24, 2011
DATE AND TIME OF OPENING: May 4, 2011 @ 2:00 p.m.
AGENCY CONTACT: Ronda Miller, Procurement Staff Memb.

RFP
Amendment 3

The following shall be a part of RFP No. 1901 for *Inmate Kiosks*. If a vendor has already returned a proposal and any of the information provided below changes that proposal, please submit the changes along with this amendment. You need not re-submit an entire proposal prior to the opening date and time.

ANSWER TO QUESTION 11 FROM THE STATE OF VIRGINIA:

11. How many housing units are at each facility?



VA DOC Housing Unit
List.xls

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

ALL ELSE REMAINS THE SAME FOR RFP 1901.

Vendor shall sign and return this amendment with proposal submitted.

NAME OF VENDOR _____

AUTHORIZED
SIGNATURE _____

TITLE _____

DATE _____

RFP 1901 Amendment 3

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal



SUBJECT: Amendment No. 2 to Request for Proposal No. 1901
DATE OF AMENDMENT: April 14, 2011
DATE OF RFP RELEASE: March 24, 2011
DATE AND TIME OF OPENING: May 4, 2011 @ 2:00 p.m.
AGENCY CONTACT: Ronda Miller, Procurement Staff Member

The following shall be a part of RFP No. 1901 for *Inmate Kiosks*. If a vendor has already returned a proposal and any of the information provided below changes that proposal, please submit the changes along with this amendment. You need not re-submit an entire proposal prior to the opening date and time.

CLARIFICATION ON QUESTIONS FROM AMENDMENT 1:

STATED:

13. What is the total \$ amount of trust fund deposits?

NV- For the entire month of March 2011, our trust fund deposits:

ODRC – Ave \$3M/mo. Approx. \$2,045,000 is deposited into the Offender Trust fund on a monthly basis.

WY - \$998,786.79 (via mail room only).

SHOULD STATE:

13. What is the total \$ amount of trust fund deposits?

NV- For the entire month of March 2011, our trust fund deposits totaled \$879,490.49.

ODRC – Ave \$3M/mo.

VI - Approx. \$2,045,000 is deposited into the Offender Trust fund on a monthly basis.

WY - \$998,786.79 (via mail room only).

ANSWERS TO QUESTIONS FROM THE STATE OF ARIZONA:

1. Who is the Department of Corrections current Jail Management provider?

AZ - N/A

RFP
Amendment 2

2. Who is the current phone vendor?
AZ - Evercom Securus.
3. Who is the current commissary vendor?
AZ - Keefe Commissary network.
4. Will the DOC provide all necessary electric power and cabling for kiosks in each facility?
AZ - No, ADC will not provide all necessary electric power and cabling for kiosks in each facility.
5. In Section 3.2.1.4 there is a requirement for the Ability to Translate information - what information is required to be translated?
AZ - Translation services are not anticipated as necessary; bilingual instructions and menus (English/Spanish) would be necessary.
6. In Section 3.2.1.6 there is a requirement for video visitation, does the DOC require this service to be offered on a separate/ stand alone kiosk from the other applications?
AZ - ADC does not require video visitation service.
7. Section 3.2.2 what is the operating system designated by the DOC for the kiosks application to run on?
AZ - ADC does not have a designated operating system on which kiosk applications will be required to be run.
8. With all the varying types of kiosks, can a vendor respond with the types of kiosks they are able to provide?
AZ - Yes.
9. Will winning this RFP mean that the company that wins can install kiosks in Nevada DOC right away to take payments?
AZ - N/A.
10. Is this contract binding for all the DOC's in the alliance?
AZ - N/A.
11. How many housing units are at each facility?
AZ - ADC has ten (10) state operated prison complexes and five (5) contracted private prisons in AZ -, with a total of 61 prison units (ranging from 1-8 units per prison complex). Housing Units range from 1-10 per prison unit. ADC currently has 284 Housing Units for state operated prisons and 30 Housing Units for contracted private prisons, for a total of 314 Housing Units.
12. Deposit Services - How many transactions does the DOC process now? • Money order • Phone • Web • Walk-in
AZ - or the Inmate Trust Account, ADC processes approximately 44,000 money order transactions per year; approximately 88,000 Western Union transactions per year; and approximately 24,000 initial inmate intake transactions per year.
13. What is the total \$ amount of trust fund deposits?

AZ - For the Inmate Trust Account, ADC deposits approximately \$36 million per year from money orders, western union, and initial inmate intake and approximately \$18 million per year from inmate wages.

14. Would the DOC eliminate taking money orders and allow vendor to provide lockbox services for money orders?
AZ - Not at this time; however, this may be negotiable as a contract amendment.
15. Does the DOC process Parole and Probation payments? If so how many transactions of each of the following? • Money order • Phone • Web • Walk-in
AZ - ADC processes approximately 13,500 Money Orders per year for parole payments. ADC does not process probation payments.
16. What is the total \$ amount of trust parole /probation payments?
AZ - Approximately \$708,700 per year for parole payments. ADC does not process probation payments.
17. How many inmates are released per year?
AZ - In Fiscal Year 2010 (July 1, 2009-June 30, 2010) the AZ - Department of Corrections released 20,571 inmates.
18. What is the average amount an inmate is released with?
AZ - \$225.00.
19. Does the DOC give inmates money upon release "gate money"?
AZ - Released inmates are provided \$50 in "gate money" for their first release only.
20. How many electronic messages is the DOC receiving per year? • Incoming • Outgoing
AZ - Inmates do not send or receive electronic messages. The volume of incoming, outgoing and internal electronic messages is not tracked.
21. How many paper photos does the DOC receive per year?
AZ - Unknown; this information is not tracked.
22. How many photos can each inmate have at one time?
AZ - A maximum of thirty (30) photos per inmate.
23. Video Visitation - Will the inmates allow families to visit remotely (from home)?
AZ - No.
24. Will the DOC consider reducing their visitation to video only?
AZ - No.
25. Does the DOC want inmate kiosks for visitation placed in housing units/pods or in separate area exclusive for Video Visitation?
AZ - ADC does not anticipate utilizing video visitation at this time.
26. Section 3, 2nd paragraph: As the procurement may result in more than one contract, would multiple vendors be selected to provide the same service(s) at the DOC or would awarded vendors be selected to provide only one or several services listed under the procurement?

AZ - N/A.

27. Section 3, 3rd paragraph: As vendors may propose on one or more of the system requirements, will the DOC award individual services to different vendors? For example, will one vendor be awarded the email service and another vendor awarded the inmate banking service?

AZ - N/A.

28. Section 3, 4th paragraph: Can Participating States award the contract to a vendor that was not awarded the DOC contract?

AZ - N/A.

29. Section 3.1.1: Is the DOC looking for a solution that incorporates each of the four kiosk types or one kiosk with all of these features? If the vendor's solution combines all four types into one kiosk, how should this be represented in the Cost Proposal?

AZ - N/A.

30. Section 3.2.1.2.2: Will the DOC accept a deposit kiosk solution that does not accept checks?

AZ - Yes.

31. Section 3.2.1.10, Application Architecture: Is the DOC looking for the vendor's platform and whether or not the subsections apply?

AZ - Yes.

32. Section 3.2.1.11.1 – Which DOC applications would the vendor need to interface with?

AZ - ADC has separate applications for the inmate telephone system (Securus), inmate banking system, inmate store system, and the ADC AIMS offender management system. For each of these, the vendor will be required to adhere to a standard format for integration.

33. Section 3.2.1.12: Should the vendor propose the vendor's preferred method of connectivity or is the DOC looking for the vendor to provide one or more methods?

AZ - ADC would want the vendor to propose the preferred method of connectivity, but would reserve the right to review and approve proposed method of connectivity.

34. Section 3.2.2: Would the DOC be open to the vendor's designating the kiosk's operating system as it is already proven in the field?

AZ - Yes.

35. Section 3.2.3.9: Is the DOC looking to view this information on the vendor's system?

AZ - Yes.

36. Section 3.2.3.9: What offender management system does the DOC use? If it is not a proprietary system, will each party be responsible for their own integration costs?

AZ - The ADC AIMS offender management system is a proprietary system. ADC will require a standard format to be adhered to for integration; therefore there will be no integration costs for the vendor.

37. Section 3.2.4.3: Is the DOC looking to customize just the text of the error messages or something else?
AZ - Unknown at this time until a determination can be made to the nature of the error messages being reported.
38. Section 3.2.5.1: Is the DOC seeking to view the vendor's remote management?
AZ - Yes.
39. Section 3.3 Is the DOC willing to share network bandwidth with the vendor? Would the vendor be allowed to install additional bandwidth (i.e. T1)?
AZ - ADC is open to discussing shared bandwidth with a vendor, dependant on location, and bandwidth requirements. Vendor may also be required to install an appropriate circuit.

ALL ELSE REMAINS THE SAME FOR RFP 1901.

Vendor shall sign and return this amendment with proposal submitted.

NAME OF VENDOR _____

AUTHORIZED
SIGNATURE _____

TITLE _____

DATE _____

RFP 1901 Amendment 2

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal



SUBJECT: Amendment No. 1 to Request for Proposal No. 1901
DATE OF AMENDMENT: April 13, 2011
DATE OF RFP RELEASE: March 24, 2011
DATE AND TIME OF OPENING: May 4, 2011 @ 2:00 p.m.
AGENCY CONTACT: Ronda Miller, Senior Buyer

RFP
Amendment 1

The following shall be a part of RFP No. **1901** for **Inmate Kiosks**. If a vendor has already returned a proposal and any of the information provided below changes that proposal, please submit the changes along with this amendment. You need not re-submit an entire proposal prior to the opening date and time.

The States abbreviation precedes the individual States answers.
Answers without State abbreviation applies to ALL States.

RFP REVISION:

Section 8.3.1; Part I: Technical Proposal is amended to Nine (9) identical copies. Additional copy to be sent to:

Arizona Evaluator

Denel Pickering, Chief Procurement Officer
Arizona Department of Corrections
1645 West Jefferson Street, Ste 4401
Phoenix, Arizona 85007

Attached file is complete list of evaluators:



RFP 1901 LIST OF
EVALUATORS.pdf

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

QUESTIONS:

1. Who is the Department of Corrections current Jail Management provider? Who is the DOC Jail/Inmate management system provider? If there is no third party provider how is information including inmate name, number and location managed and how would the kiosk software vendor access this information?

NV - Syscon Justice Systems.

OHIO - The Ohio Department of Rehabilitation & Correction (ODRC) uses its own web-based Department's Offender Tracking System with support from Diversified Systems, Inc. Depending on the information required, ODRC may provide a flat file via SFTP with relevant inmate data, such as inmate number, inmate name, dob, etc.

Virginia DOC provides in-house offender management for offenders sentenced to state-responsible sentences. We do not provide management to offenders in local jails.

WY - Internally developed.

2. Who is the current phone vendor?

AZ - Evercom Securus.

NV - Century Link /IC Solutions.

*ODRC - Global Tel*Link.*

VI - Global Tel-Link

WY - ICS.

3. Who is the current commissary vendor?

AZ - Keefe Commissary network.

NV - Self operated.

ODRC provides commissary services on-site at all but one facility, which is serviced by a neighboring institution. Application is CACTAS, by Cashless Systems, Inc.

VI - Keefe Commissary

WY - Cashless Systems Inc. (Cactus).

4. Will the DOC provide all necessary electric power and cabling for kiosks in each facility?
NV - Existing capabilities and needs will be determined on a site by site basis.

ODRC will provide electric power and cabling as necessary; however, wireless communication is preferred, and ODRC will not provide communication cabling.

VI - Yes

WY - Yes.

5. In Section 3.2.1.4 there is a requirement for the Ability to Translate information - what information is required to be translated?

NV – At minimum, instructions and directions must be available in English and Spanish, however, we are looking for vendors to provide additional creative solutions in this area.

ODRC – any instructions / user interfaces that people would need to read in order to understand how to correctly operate / use the kiosk to accomplish their tasks.

WY - Instructions and directions must be available in both English and Spanish.

6. In Section 3.2.1.6 there is a requirement for video visitation, does the DOC require this service to be offered on a separate/ stand alone kiosk from the other applications?

NV – The Department is seeking a wide range of options so the best solution for video visitation needs can be identified. Security concerns and convenience to the public will be key elements of importance for the DOC.

ODRC may choose to have video visitation on separate kiosks from the other applications based on the number of kiosks per inmate and the facility design/layout, security, and available space.

VI - Not a requirement but we foresee a need for a kiosk dedicated to video visitation depending on the volume of the service

WY - Either alternative would be acceptable. WDOC would not require it at this time.

7. Section 3.2.2 What is the operating system designated by the DOC for the kiosks application to run on?

NV – Linux, specifically SuSE for integration with our current network and Microsoft Windows.

ODRC – kiosk O/S does not matter as long as it is secure, stable, kept up-to-date, and allows applications to interface.

VI - We have no specific designation but the system must be secure.

WY - Microsoft Windows.

8. With all the varying types of kiosks, can a vendor respond with the types of kiosks they are able to provide?

NV – Yes; if a vendor has multiple kiosk solutions, please provide them. The Department is looking for the best combination of options available.

ODRC – they can, with the understanding they may not be selected if other vendors are able to provide all types.

WY – Yes.

9. Will winning this RFP mean that the company that wins can install kiosks in Nevada DOC right away to take payments?

No.

10. Is this contract binding for all the DOC's in the alliance?
No; each participating state will need to complete a participating addendum with the vendor(s), including Nevada. This is not a mandatory contract.

ODRC – No; depending on the contract, ODRC may choose to negotiate a separate contract, pull out of the project completely, or issue a separate solicitation.

WY – No.

11. How many housing units are at each facility?
NV – Exact configurations can be made available; each Institution/Camp is configured differently, however NDOC has approximately 125 housing units of 100 inmates each.

ODRC – Depends on the facility and definition of “unit”; varies from 2 to approximately 48 per facility.

VI - We do not have housing unit information at this time. This attachment shows a list of each facility and their population count in February 2011 and could be used to determine potential need.



VI Monthly
Population Summary.

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

WY - WMCI – 15, WSP – 15, WWC – 9, WHF – 3, WHCC – 5.

12. Deposit Services - How many transactions does the DOC process now? • Money order • Phone • Web • Walk-in
NV – For the entire month of March 2011, we had a total of 9,286 transactions through lockbox and money transfers. The NDOC currently does not allow phone, web or walk-in deposits.

ODRC – Ave 65,000 / month; 60/40 split between money orders and other receipts.

*VI - Approx. 27,200 transactions a month come from the mail (money orders)
Approx. 4,600 transactions a month come from electronic funding vendors
Approx. 150 transactions a month come from visitors*

WY - 10,789 (via mail room only).

13. What is the total \$ amount of trust fund deposits?
NV- For the entire month of March 2011, our trust fund deposits totaled \$879,490.49.

ODRC – Ave \$3M/mo. Approx. \$2,045,000 is deposited into the Offender Trust fund on a monthly basis.

WY - \$998,786.79 (via mail room only).

14. Would the DOC eliminate taking money orders and allow vendor to provide lockbox services for money orders?
NV – Possibly; the NDOC currently has lockbox services, however we will look at all solutions presented through the RFP.

ODRC – Yes, but only if there is no additional delay in posting funds to inmate accounts and there is no additional charge to depositors, inmates, or ODRC.

VI - We would consider this option and would like to see the vendor provide a creative solution as to how this can be accomplished. The cost must be equitable for families.

WY – Maybe.

15. Does the DOC process Parole and Probation payments? If so how many transactions of each of the following? • Money order • Phone • Web • Walk-in
NV – Currently, payments are collected through our inmate payroll system. NDOC does not accept money orders, phone payments, web payments or walk-ins for P&P payments.

ODRC – No; those payments are processed by a contracted vendor, RMS. Number of transactions not available at this time.

VI - Those transactions are processed at each Probation and Parole district office. Information of that nature is not collected centrally.

WY - No.

16. What is the total \$ amount of trust parole /probation payments?
NV – Fiscal year to date (7/1/10 through 4/4/2011) \$95,204.58 Parole and Probation payments have been collected through the inmate payroll system.

ODRC – approximately \$66,000/month.

VI - Those transactions are processed at each Probation and Parole district office. Information of that nature is not collected centrally.

WY - N/A.

17. How many inmates are released per year?
NV – Average 5,580 inmates are released per year (465 per month)

ODRC – 25,000.

VI - Average 13,000.

WY – 778.

18. What is the average amount an inmate is released with?
NV - \$176.92

ODRC - \$103.00.

VI - The average parole/discharge check is approx. \$105

WY - Variable.

19. Does the DOC give inmates money upon release "gate money"?
NV - NDOC provides release assistance "gate money" for indigent inmates upon release.

ODRC - Yes, if the offender is released under certain circumstances.

VI - If the Trust balance funds do not total \$25.00, sufficient money will be added to reach that amount. This includes offenders that are being released from incarceration but are not going directly into the community. For offenders that will remain under incarceration such as being transferred to work release or being released to a detainer, the facility does not need to supplement offender funds to meet the \$25.00 discharge allowance.

WY - Yes - \$6/meal/travel period & bus fare.

20. How many electronic messages is the DOC receiving per year? • Incoming • Outgoing
NV - None; NDOC currently does not allow electronic mail.

ODRC - 25,000.

VI - None at this time.

WY - None.

21. How many paper photos does the DOC receive per year?
NV - Unknown

ODRC does not track that number.

Virginia DOC does not track this information.

WY - Do not record.

22. How many photos can each inmate have at one time?
NV - Unknown

ODRC - not limited.

VI - Offenders may receive no more than five (5) 4"x 6" photographs at any time. Offenders may have a reasonable amount in their personal property as long as they can be stored in their locker or cabinet.

WY - 40 in cell.

23. Video Visitation - Will the inmates allow families to visit remotely (from home)?

NV – This solution would be considered as long as the visit could be recorded. Security concerns will be measured along with convenience to the public in evaluation all proposals.

ODRC will allow visits from home as long as there is a “kill-switch” option that allows ODRC to immediately terminate the visit if necessary for security reasons.

VI - Not at this time – families participate in video visitation by a remote location in the community. See website for more information:

<http://www.vadoc.virginia.gov/offenders/prison-life/videoVisitation.shtm>

WY - Yes with permission and availability.

24. Will the DOC consider reducing their visitation to video only?

NV – No. A combination will be utilized but contact visitation cannot be eliminated.

ODRC – Not at this time.

VI - Not at this time

WY – No.

25. Does the DOC want inmate kiosks for visitation placed in housing units/pods or in separate area exclusive for Video Visitation?

NV – A combination; in disciplinary segregation units, the kiosks would be in the units with the capability to roll them to in front of the cell. In general population units, the kiosks could be located in visitation, the units is a program room, or another designated area.

ODRC – Depends on the institution and available space.

VI - In the housing units – may explore other locations depending on volume of visits.

WY – No.

26. Section 3, 2nd paragraph: As the procurement may result in more than one contract, would multiple vendors be selected to provide the same service(s) at the DOC or would awarded vendors be selected to provide only one or several services listed under the procurement?

NV – It will depend on the State and the service.

ODRC prefers to select a single vendor for the same or several services. However, if in the best interests of the state, ODRC may select different vendors for each service.

VI - N/A.

WY – Multiple.

27. Section 3, 3rd paragraph: As vendors may propose on one or more of the system requirements, will the DOC award individual services to different vendors? For example,

will one vendor be awarded the email service and another vendor awarded the inmate banking service?

NV - Depending on the State and the service required. Each State may negotiate their own contracts.

ODRC – if an award is made, it will most likely be to a single vendor who can provide the services ODRC needs; however, it is possible multiple awards may be made if that result is most beneficial to the state.

VI - N/A.

WY – Yes.

28. Section 3, 4th paragraph: Can Participating States award the contract to a vendor that was not awarded the DOC contract?

NV - Depending on the State and the service required. This is not a mandatory contract.

ODRC – Yes, and states may choose to no longer participate.

VI - N/A.

WY - Maybe – it would require justification and approval from state purchasing.

29. Section 3.1.1: Is the DOC looking for a solution that incorporates each of the four kiosk types or one kiosk with all of these features? If the vendor's solution combines all four types into one kiosk, how should this be represented in the Cost Proposal?

NV – Each kiosk type proposed should have an associated cost proposal; unless one kiosk could support a turnkey and an outside kiosk, however a stand alone may not contain the enclosure and the hardware only would not contain the software.

ODRC is looking for a solution that provides turn-key, stand-alone kiosks for interior use. For Ohio, therefore, proposing an outside, turn-key, stand-alone kiosk may be cost-prohibitive. If a bidder provides only one type of kiosk, it should be listed under each type of kiosk solution.

VI - One Kiosk type with all features.

WY - Each Kiosk type should be specified with an associated cost. If a single kiosk can provide all services then a breakdown of costs per service would be helpful since we wouldn't necessarily want all of the services available and would not want to have to pay for things we aren't using.

30. Section 3.2.1.2.2: Will the DOC accept a deposit kiosk solution that does not accept checks?

NV – We will look at all solutions presented through the RFP.

ODRC – Yes.

VI – Yes.

WY – Maybe.

31. Section 3.2.1.10, Application Architecture: Is the DOC looking for the vendor's platform and whether or not the subsections apply?

NV –

3.2.1.10.1 is open architecture; yes, the DOC wants to determine if the vendor applications have open architecture.

3.2.1.10.2 is Documented Interface API and tool kit ad; yes, the DOC wants to determine if the vendor applications have documented Interface API and tool kit ad.

3.2.1.10.3 is Custom changes to the Interface API; yes, the DOC wants to know if the vendor can make custom changes, however at what cost?

ODRC – Yes.

VI - We are looking for a platform in which we can connect to other systems that we work with.

WY - This is what we would like to know for each subsection:

3.2.1.10.1 – applicable or not

3.2.1.10.2 – available for use by DOC and/or other vendors DOC uses for services.

3.2.1.10.3 – applicable or not and at what cost

32. Section 3.2.1.11.1 – Which DOC applications would the vendor need to interface with?

NV – NOTIS - Nevada Information and Offender Tracking System, inmate banking system, inmate stores system, and other applications as required by the Department.

ODRC – DOTS (Department's Offender Tracking System), CACTAS (Cashless Commissary and Trust Accounting System), telephone system (GTL); all interfaces must be coordinated with appropriate current vendors. ODRC will not be responsible for any costs associated with the interface/s.

VI - We work with a number of systems from offender management, phones, commissary, to smaller stand-alone systems.

WY - Cashless Systems Inc. – Cactus, WDOC's offender management system, other windows/web apps as the agency deems appropriate.

33. Section 3.2.1.12: Should the vendor propose the vendor's preferred method of connectivity or is the DOC looking for the vendor to provide one or more methods?

NV - The vendor should provide creative connectivity solutions that will work with institutions, while maintaining security requirements. If multiple options exist, these should be separately identified.

ODRC – Propose vendor's preferred method and include other methods vendor is able to provide.

VI - Web Services is our connectivity method.

WY - More than one option - Vendor to provide connectivity options that will work with their kiosks i.e. DSL, T1, etc.

34. Section 3.2.2: Would the DOC be open to the vendor's designating the kiosk's operating system as it is already proven in the field?
NV - The DOC will look at all solutions presented through the RFP.
- ODRC - Yes.*
- VI - Yes.*
- WY - Maybe.*
35. Section 3.2.3.9: Is the DOC looking to view this information on the vendor's system?
NV - Either on the vendors system or through a web interface.
- ODRC would prefer to view the information through a vendor-supplied method. Whether that is on the vendor's system or using software supplied by the vendor and installed on ODRC systems matters only in that s/w installed on ODRC systems must be transferable to other ODRC systems by ODRC staff without requiring vendor intervention or assistance. Either method must allow ODRC 24/7 access to monitor kiosks.*
- VI - Yes, We want to understand all internal connections.*
- WY - Either on the vendors system or through some form of web interface.*
36. Section 3.2.3.9: What offender management system does the DOC use? If it is not a proprietary system, will each party be responsible for their own integration costs?
NV - NDOC uses Syscon Justice Systems for their offender management system. It is a proprietary system.
- ODRC uses the Department's Offender Tracking System, which is currently serviced by Diversified Systems, Inc. The vendor will be responsible for any and all integration costs.*
- VI - We have a proprietary system and we will be responsible for integration costs.*
- WY - Internally created.*
37. Section 3.2.4.3: Is the DOC looking to customize just the text of the error messages or something else?
NV - The error message as well as any instructional and prompts be customized as needed.
- ODRC - primarily text.*
- VI - We would like to have input for the text.*
- WY - Both.*
38. Section 3.2.5.1: Is the DOC seeking to view the vendor's remote management?
NV - Yes. We would like to see the vendor's remote management system.

ODRC does not seek to view the vendor's remote management; ODRC seeks to use the remote management tool to minimize the time its staff must spend managing the kiosks.

VI - Yes, we want to understand how this will take place.

WY - Only as necessary for the maintenance of security/control of access to the system by the inmates.

39. Section 3.3 Is the DOC willing to share network bandwidth with the vendor? Would the vendor be allowed to install additional bandwidth (i.e. T1)?

NV – The DOC has limited available network bandwidth; it varies by location. The awarded vendor will need to work with the DOC and the Department of Information Technology (DoIT) to implement a desired solution. Any proposal should not degrade existing network capabilities of the DOC.

ODRC prefers a wireless network be installed by the vendor. ODRC should be able to also use that wireless network as needed.

VI - We are willing to share network bandwidth and the vendor is not allowed to install additional bandwidth. DOC would be responsible for adding any additional bandwidth.

WY - WDOC will not be able to share. Vendor will need to install additional resources.

40. Section 3.7 If the vendor is a distributor (and not the manufacturer) of the MP3 player, can a shorter warranty period be proposed for the MP3 player?

NV – We will look at all solutions presented through the RFP, however if the warranty is not competitive, the vendor runs a risk.

ODRC – No; the vendor must be able to cover the player for the specified length of time.

VI – N/A.

WY – Maybe.

41. Section 8.3.3 / Attachment E: As only the State of Nevada receives a copy of the cost proposal and four Participating States are also evaluating the proposals, how is the evaluation process performed? Are each evaluator's scores weighed evenly?

Nevada will provide the "Cost" to the evaluators upon completion of scoring the Technical Proposals.

42. Item #5 on the Sample Score Sheet is said to correspond to "Section 7, Project Costs." However Section 7 is entitled "Payment." Please clarify.

Item # 5 should correspond to "Section 6, Project Costs".

43. Will you consider leasing the equipment over a two or three year period with end of term options of return, purchase for fair market value, or continue leasing at a reduced rental?

Yes.

44. Attachment D, question #1 refers to copiers. Please clarify.

Please provide attached document to your references.



Attachment D.doc

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

ALL ELSE REMAINS THE SAME FOR RFP 1901.

Vendor shall sign and return this amendment with proposal submitted.

NAME OF VENDOR _____

AUTHORIZED
SIGNATURE _____

TITLE _____

DATE _____

RFP 1901 Amendment 1

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal



RFP

**The State of Nevada Purchasing Division
on behalf of National Association of State Procurement Officials (NASPO)
and the Multi-State Corrections Procurement Alliance (MCPA)**

Request For Proposal No.1901
for

INMATE KIOSKS

Release Date: **March 24, 2011**
Deadline for Submission and Opening Date and Time: **May 4, 2011 @ 2:00 P.M.**

For additional information, please contact:
Ronda Miller, Procurement Staff Member
(775) 684-0182
(TTY for the Deaf or Hard of Hearing: 1-800-326-6868
Ask the relay agent to dial 1-775-684-0182/V.)

This document must be submitted in the "State Documents" section/tab of vendors' technical proposal

See Page 22, for instructions on submitting proposals.

Contact Information

Company Name _____

Address _____ City _____ State _____ Zip _____

Telephone (____) _____ Fax (____) _____

E-Mail Address: _____

Prices contained in this proposal are subject to acceptance within _____ calendar days.

Contact Person _____

Print Name & Title _____

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A Request for Proposal process is different from an Invitation to Bid. The State expects vendors to propose creative, competitive solutions to the agency's stated problem or need, as specified below. Vendors may take exception to any section of the RFP, except Section 4 Project Terms and Conditions. Exceptions should be clearly stated in Attachment B (Certification of Indemnification and Compliance with Terms and Conditions of RFP) and will be considered during the evaluation process. The State reserves the right to limit the Scope of Work prior to award, if deemed in the best interest of the State NRS §333.350(1).

Prospective vendors are advised to review Nevada's ethical standards requirements, including but not limited to, NRS 281A and the Governor's Proclamation, which can be found on the Purchasing Division's website (<http://purchasing.state.nv.us>).

1. OVERVIEW

The State of Nevada, Purchasing Division on behalf of the National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA) is seeking qualified manufacturers to provide Inmate Kiosks for NASPO/MCPA and all participating States. Vendors will provide and manage a system that will allow offenders in designated correctional facilities access to automated services with little or no assistance of staff.

The National Association of State Procurement Officials is a national association of Chief Procurement Officers that has established a procurement cooperative for state government departments, institutions and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) for the NASPO Member States and territories of the United States.

Under terms of the NASPO Cooperative Memorandum of Agreement all fifty states and the District of Columbia may participate in this potential contract at their option and in accordance with their statutory requirements and rules.

Obligations under contracts that result from this cooperative procurement are limited to those states and other eligible purchasing entities that execute a Participating Addendum.

Financial obligations of Participating States are limited to the orders placed by the departments or other state agencies and institutions having available funds.

Participating States incur no financial obligations on behalf of political subdivisions.

Unless otherwise specified in the solicitation or by Participating States the resulting master price agreement(s) will be permissive.

Traditionally Department of Corrections (DOC) provides services to inmates located within its Institutions/Facilities across the state. Most of these services are requested by the inmates through DOC staff, requiring a significant staff time investment to complete transactions. Permitting inmates to obtain these services electronically in a secure correctional environment with little staff assistance will greatly improve the efficiency of both correctional and free-staff, allowing for a more efficient operation.

The process for this solicitation and eventual contract is as follows:

- The RFP will be drafted and issued by the State of Nevada;

- The RFP process will be governed by the Laws and Codes of the State of Nevada;
- A recommendation of award will be issued by the State of Nevada, based on the Evaluation Committee's results, to the NASPO Directors;
- If approved, the Master Service Agreement will be executed (Attachment C) by the Successful Vendors and the State of Nevada;
- Each state must then execute a Participating Addendum (Attachment H) with any unique Terms and Conditions. It is the awarded vendors' responsibility to negotiate with each participating state. Upon award vendor(s) must work with the state's existing commissary/inmate banking company i.e. Cashless Systems.

This RFP contains a multi-state scope and may result in more than one contract. The resulting contract(s) will be for a contract term of five (5) years, subject to approval of the NASPO Board of Directors anticipated to be June 1, 2011.

2. ACRONYMS/DEFINITIONS

For the purposes of this RFP, the following acronyms/definitions will be used:

<i>Confidential Information</i>	Any information relating to the amount or source of any income, profits, losses or expenditures, including data relating to cost or price submitted in support of a bid or proposal. The term does not include the amount of a bid or proposal. See NRS §333.020(5)(b).
<i>Division</i>	Nevada Department of Corrections (NDOC).
<i>Evaluation Committee/Sourcing Team</i>	An independent committee comprised of a majority of state officers or employees established to evaluate and score proposals submitted in response to the RFP pursuant to NRS §333.335.
<i>LOI</i>	Letter of Intent - notification of the state's intent to award a contract to a vendor, pending successful negotiations; all information remains confidential until the issuance of the formal notice of award.
<i>Lead State</i>	The State of Nevada and its state agencies, officers, employees and immune contractors as defined in NRS 41.0307.
<i>May</i>	Indicates something that is not mandatory but permissive.
<i>NAC</i>	Nevada Administrative Code
<i>Nevada</i>	The lead state for the purpose of this RFP
<i>NRS</i>	Nevada Revised Statutes
<i>NOA</i>	Notice of Award - formal notification of the state's decision to award a contract, pending Examiners' approval of said contract, any non-confidential information becomes available upon written request.
<i>NASPO</i>	The National Association of State Procurement Officials (NASPO).

<i>Participating State</i>	State(s) that have indicated intent to participate or who have executed a Participating Addendum.
<i>Proprietary Information</i>	Any trade secret or confidential business information that is contained in a bid or proposal or included in a particular contract.
<i>Public Record</i>	All books and public records of a governmental entity, the contents of which are not otherwise declared by law to be confidential (see NRS §333.333 and NRS §600A.030(5)) must be open to inspection by any person and may be fully copied or an abstract or memorandum may be prepared from those public books and public records.
<i>RFP</i>	Request for Proposal - a written statement which sets forth the requirements and specifications of a contract to be awarded by competitive selection NRS §333.020(7).
<i>Shall/Must/Will</i>	Indicates a mandatory requirement. Failure to meet a mandatory requirement may result in the rejection of a proposal as non-responsive.
<i>Should</i>	Indicates something that is recommended but not mandatory. If the vendor fails to provide recommended information, the State may, at its sole option, ask the vendor to provide the information or evaluate the proposal without the information.
<i>State</i>	The State of Nevada and its state agencies, officers, employees and immune contractors as defined in NRS 41.0307.
<i>Subcontractor</i>	Third party, not directly employed by the vendor, who will provide services identified in this RFP. This does not include third parties who provide support or incidental services to the vendor.
<i>Successful Vendor</i>	The organization/individual that is awarded and has an approved contract with the State of Nevada for the services identified in this RFP.
<i>Trade Secret</i>	Information, including, without limitation, a formula, pattern, compilation, program, device, method, technique, product, system, process, design, prototype, procedure, computer programming instruction or code that: derives independent economic value, actual or potential, from not being generally known to, and not being readily ascertainable by proper means by the public or any other person who can obtain commercial or economic value from its disclosure or use; and is the subject of efforts that are reasonable under the circumstances to maintain its secrecy.
<i>Vendor</i>	Organization/individual submitting a proposal in response to this RFP.
<i>WSCA</i>	The Western States Contracting Alliance (WSCA) is a cooperative group-contracting consortium for state government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) for the States of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota,

Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming. WSCA is a subset of the National Association of State Procurement Officials (NASPO). NASPO is a non-profit association dedicated to strengthening the procurement community through education, research, and communication. It is made up of the directors of the central purchasing offices in each of the 50 states, the District of Columbia and the territories of the United States.

3. SCOPE OF WORK

In accordance with NRS 333.333, "Each request for proposals must include minimum requirements that the successful vendor must meet for the awarding of a contract pursuant to the provisions of this chapter. A contract may not be awarded to a vendor who does not comply with the requirements set forth in the request for proposals." All successful vendors must meet the requirements of this section.

This procurement contemplates a multi-state scope and may result in more than one contract. In determining an award, factors considered include but are not be limited to, pricing, range of applications offered; the favorability of the terms under which the vendor will do business; other vendor programs, capabilities, and product characteristics judged to provide additional value or administrative cost savings to the Participating States.

While the primary purpose of this solicitation is to select a vendor(s) who can meet the needs of Participating States, vendors may propose on one or more of the system requirements as indicated below. Vendors must clearly describe any geographical limits (e.g. by state name) if proposing a geographical area less than that of all Participating States.

A Participating State may evaluate and select a vendor judged to be in the best interests of the state involved. Administration of any such award(s) will be done by each of the Participating State(s) involved.

Violation of, or conflict with any codes or standard requirements throughout this RFP must be brought to the attention of the Participating States DOC's institutions/facilities prior to bidding, as each state operates slightly different as a result of the security levels at the locations.

It will be the awarded vendor's responsibility to provide proof to all Participating States' all sales/use taxes has been paid.

3.1 **KIOSKS**

3.1.1 Kiosk Solutions

3.1.1.1 Turnkey Kiosks - all hardware and software necessary to provide any related services the vendor provides.

3.1.1.2 Stand Alone Kiosk - all hardware and software necessary to provide unattended transaction processing of applications.

3.1.1.3 Outside Kiosk - located outside and be able to withstand weather and the elements; rain, snow, wind, sun, etc. Kiosks should withstand temperatures from -20 degrees to 110 degrees with up to 100% humidity.

3.1.1.4 Hardware Only Kiosk - all related hardware as needed to implement kiosk solution. Kiosk should contain a touch screen; however, a durable security centered keyboard will also be considered especially supporting disabled inmates who could not access the kiosks.

Note: If proposing this type of kiosk, vendor to be responsible for the project, with a sub-contractor(s) as needed to complete the installation as quoted.

3.1.2 Kiosk Enclosure

The successful vendor shall provide a kiosk design to be of standalone style for inside/outside locations. The kiosk enclosure/housing needs to be self contained, rugged and secure. No crevices that can enable inmates to damage or spill into the enclosure and damage the kiosk.

This requirement is not mandatory and will be determined by the type of kiosk proposed. If there are no enclosures, vendors are to explain in detail the plan for mounting and security of the hardware.

Kiosk enclosures may, but not limited the following:

- 3.1.2.1 Heavy duty locking mechanisms, hinges, door mechanisms capable of resisting inmate tampering and vandalism.
- 3.1.2.2 Hardware must be contained in the kiosk enclosure.
- 3.1.2.3 The kiosk should have the ability to be anchored to the floor and or the wall. The vendor shall ensure that each kiosk can be easily unsecured from the floor or the wall by authorized personnel.
- 3.1.2.4 The kiosk enclosure must be of a neutral color and easily cleaned.
- 3.1.2.5 The kiosk shall not bear company names or logos.
- 3.1.2.6 Pictures, artist renderings and drawings of the proposed kiosk design shall be included with the proposal.
- 3.1.2.7 Vendor must ensure that battery-backed alarms with detectors on all openings are implemented where entry might be forced. Kiosk alarms must be:
 - Manually set to ring for a period of time with shrill alarm;
 - Capable of activation/deactivation at a remote location designated by the institution; and
 - Proven not to provide false signaling regarding remote alarm.
- 3.1.2.8 Kiosks must have sealed opening(s) for power and phone lines as needed.
- 3.1.2.9 Kiosks have adequate ventilation to include fans if needed for components.

3.2 TECHNICAL ENVIRONMENT

3.2.1 Kiosk Applications

At minimum, the operating system/applications should allow the Participating States DOC the ability to modify. Vendor shall ensure each kiosk is maintained on the most current version of the vendor's systems of operation, with no more than two versions at any one-time across all kiosks.

Vendor shall provide the method of insuring inmate ID security. Methods could include fingerprint scan, or other biometric possibilities, ID card scanning (magnetic or barcode), and or voice options. (Refer to section 3.3 of this RFP)

Vendors to describe in detail the ability to provide at minimum the following functionality within their software application:

3.2.1.1 Email/Secure Messaging – Incoming/outgoing is screened by the system using keyword search before download is allowed. Keyword screening would evaluate risk level of e-mail. Unacceptable or questionable (moderate to high risk) e-mail is held or staged at a central location computer for DOC approval before it is available for offender delivery or download. At minimum; Keyword search may be edited at any time. Offender email must be storable by vendor or transferrable to DOC Storage.

3.2.1.1.1 Email services, including, restrictions of senders/receivers, and keyword search capabilities on both incoming and outgoing messages. Please give your ability to provide the above.

3.2.1.1.2 Capability for the DOC to manage email approvals at either an institution level as well as a state level.

3.2.1.1.3 Systems ability for the email to include photos. System to allow for separate view of photos from messages and the ability to reject/accept any combination of those.

NOTE: Photos will increase stress on the network.

3.2.1.1.4 Estimated impact of email/messaging on the DOC network.

3.2.1.1.5 Provide a plan for data lines should capabilities at the institutions be limited as a result of this implementation.

3.2.1.1.6 Internet access/direct e-mail reply is not allowed within the Nevada Department of Corrections. Vendor to detail how this could be managed with their systems.

3.2.1.1.7 Vendor to propose both viewing and printing options available for the proposed kiosk.

3.2.1.2 Inmate Banking – Many of the DOC's currently have a system to accept electronic funds transfers. If available, vendors shall provide their capability and system to provide Electronic Funds Transfer. The vendor must outline the process for verification via all methods, such as debit card, credit card, or money order.

NOTE: Vendors that accept credit cards must specify that they meet all card requirements for the processing of transactions. Nonpayment of credit card transactions will not be the responsibility of the DOC.

- 3.2.1.2.1 Exchange data with the DOC Inmate Banking System: including but not limited to bank balances and transaction information. Vendor to describe any limitations to the information can be presented to the inmate through the Kiosk.
- 3.2.1.2.2 Kiosks installed in the visitation area shall be limited to deposits only and to include cash, checks, and credit cards.
- 3.2.1.2.3 Enforce ability to maintain minimum and maximum deposit levels. Machine to have the ability to print deposit receipts.
- 3.2.1.2.4 Describe security features that insure accurate deposits, i.e., wrong account numbers.
- 3.2.1.2.5 Security - Provide the method of insuring inmate ID security. Vendors to provide their ability to provide biometrics, magnetic card readers, or other forms of security.
- 3.2.1.3 Inmate Grievances - (Internal complaint routing)
Vendor to provide internal document routing between inmate kiosk and DOC staff. If this currently does not exist, is there potential for future expansion in this area?
- 3.2.1.4 Ability to Translate Information
 - Spanish/English-English/Spanish;
 - Translate Applications/Information from English to other languages.
- 3.2.1.5 Inmates Commissary
 - 3.2.1.5.1 Ordering commissary items directly through the kiosk.
 - 3.2.1.5.2 Provide holiday or package program orders for the inmates.
 - 3.2.1.2.3 Interface purchases with the inmate banking system.
- 3.2.1.6 Video Visitation
 - 3.2.1.6.1 Requirements for data transfer for video visitation.
 - 3.2.1.6.2 Estimated impact of video visitation on the DOC network.
 - 3.2.1.6.3 A plan for data lines should capabilities at the institutions be limited as a result of this implementation.
 - 3.2.1.6.4 Vendor to propose recommended visitation time constraints.
- 3.2.1.7 Inmate Scheduling
Vendor to provide any scheduling capabilities i.e. inmate medical appointment scheduling.
- 3.2.1.8 MP3 – Download / Purchasing of Music
Vendor must be able to customize music catalog for approval by institutions by State.

- 3.2.1.8.1 Ability to download with and without direct access to the internet;
 - 3.2.1.8.2 Secure MP3 music downloads solutions;
 - 3.2.1.8.3 Offer a large variety of titles and genres available for purchase;
 - 3.2.1.8.4 Alternative methods that allow the inmates to search and choose music (to place in a queue) without being connected to the kiosk. This includes the ability to choose order of preference and deleting selections in the queue;
 - 3.2.1.8.5 Download/data retrieval times;
 - 3.2.1.8.6 Security features and if features can be disabled upon release for normal use. This includes any locking features to prevent music sharing, etc. Vendor to describe theft prevention features;
 - 3.2.1.8.7 Capabilities of the actual MP3 player to be used. Are there base/upgraded versions? What is the min/max gigabyte capacity?
 - 3.2.1.8.8 Describe power features and how recharging of the player is achieved;
 - 3.2.1.8.9 Must be able to provide inmate with transaction data/account balance;
 - 3.2.1.8.10 System to be able to catalog inmate songs in a database; the ability for the inmate to manage his total music library;
 - 3.2.1.8.11 Player must be clear to provide viewing of internal components;
 - 3.2.1.8.12 DOC must have the capability to approve all music available to purchase on the catalog; and
 - 3.2.1.8.13 Vendor must have contractual rights to distribute digital media from major music labels or other entertainment fields to provide reasonable volume of acceptable media content.
- 3.2.1.9 Phone Time Usage
Capabilities for the kiosk to provide tracking of phone time usage.
- 3.2.1.10 Application Architecture
- 3.2.1.10.1 Open source application.
 - 3.2.1.10.2 Documented Interface API and tool kit ad.
 - 3.2.1.10.3 Custom changes to the Interface API.
- 3.2.1.11 Interfacing
- 3.2.1.11.1 Vendor to detail their capability to interface vendor's applications to DOC applications.
 - 3.2.1.11.2 Security and capability when interfacing to DOC applications.
- 3.2.1.12 Communications
Kiosks to support communications via:
- Cable
 - Wireless

- DSL
- Other

3.2.1.13 Scalability

Vendor to recommend number of inmate to kiosk ratio and how their system can adjust based on changing inmate populations. Provide all assumptions used to identify required computing power and/or hardware.

3.2.2 Software Requirements

The successful vendor shall provide a kiosk application that will run on an operating system designated by the DOC and is capable of being upgraded.

The successful vendor shall allow for additional applications to be added as determined necessary by the DOC. Upon mutual agreement between the vendor and the DOC, additional applications can be added via change order to the kiosk while this contract or its extensions are in effect, at the department's option.

Vendor must provide any and all upgrades that become available during the term of the contract.

3.2.2.1 Third Party Acquisition of Software: vendor shall notify the Department in writing if its intellectual property, business, or all of its assets are acquired by a third party.

3.2.2.2 Title of Software: Vendors submitting a proposal represents and warrants that it is the sole owner of the software or, if not, the owner, has received all legally required authorizations from the owner. Vendor to provide the following documentation:

- Term of software license.
- Rights to Computer Software.

3.2.2.3 Touch screen monitor shall reduce the ability to read the screen when viewed from the side to prevent others from viewing displayed information. Touch screen shall not require scrolling.

3.2.3 System Architecture

3.2.3.1 The capability for the development of future applications and implementing these applications on the proposed hardware configuration.

3.2.3.2 Vendor shall ensure that the system architecture is scalable and designed to easily and inexpensively accommodate changes (future applications, etc) resulting from DOC rules and workflows.

3.2.3.3 Vendor must allow for the kiosks to be data linked within an institution, and best case to be linked throughout the Department.

3.2.3.4 Provide the capability of producing reports, including but not limited to:

- Use and statistical reports by function. (i.e., Banking queries, store sales, phone time, etc; and
- Accounting reports.

- 3.2.3.5 Provide a kiosk application that will run on a operating system designated by the DOC and is capable of being upgraded.
- 3.2.3.6 Touch screen buttons and font sizes large enough to be easily read by the majority of customers.
- 3.2.3.7 Provide kiosk application instructions to the inmates which are clear and to the point, with no large blocks of text.
- 3.2.3.8 Vendor shall ensure each kiosk is maintained on the most current version of the vendor's systems of operation, with no more than two versions at any one-time across all kiosks.
- 3.2.3.9 Kiosk Operational Statistics to include:
 - At minimum, internal operational software.
 - Ability to look at up-time logging data and monitor kiosks.
 - Full monitoring capabilities; KVM/Power.
- 3.2.3.10 Data transfer in your operating system. Please include specification for eXtensible Markup Language (XML) or other standard interface options, to tie in a kiosk-based application with offender management systems.

3.2.4 Customer Interaction Messages

Messages to be available in English and Spanish.

Vendors are to describe in detail the following:

- 3.2.4.1 Transaction processing messages;
- 3.2.4.2 What messages prompt the inmate during their time on the kiosk;
- 3.2.4.3 Error message, can the error message be customized?
- 3.2.4.4 Does functionality include instructional prompts?
- 3.2.4.5 Transaction processing messages to indicate what messages prompt the inmate during their time on the kiosk. This should include error messages.
 - Can the error message be customized?
 - Does the functionality include instructional prompts?

3.2.5 Remote Management

At minimum, remote Keyboard/Video/Mouse (KVM) reset is required.

- 3.2.5.1 Vendor to detail remote management capabilities. To include the following:
 - Monitoring;
 - Diagnostics;
 - Error resolution;
 - Software problem assistance;
 - Intelligence reporting;
 - Application and software updates and upgrades; and
 - Rebooting and controlling the remote kiosks from a central location.

3.2.5.2 Remote management should be set through a security access designation.

3.2.6 Software Provisions

3.2.6.1 Vendor shall provide any and all software upgrades that become available during the term of the contract.

3.2.6.2 Third party Acquisition of Software - The vendor shall notify the department in writing if its intellectual property, business, or all of its assets are acquired by a third party.

3.2.6.3 Title of Software – By submitting a proposal, the vendor represents and warrants that it is the sole owner of the software or, if not, the owner, has received all legally required authorizations from the owner.

3.2.6.4 Term of software license.

3.2.6.5 Rights to Computer Software.

3.2.7 Hardware Requirements

Vendor must describe the capability for the development of future applications and implementing these applications on the proposed hardware configuration.

Vendors to describe in detail the ability to provide the following:

3.2.7.1 Vendor shall provide for all electrical equipment to operate on a regular 120 volt, 60 hertz, AC power and be “UL” or equivalently listed and be certified by a Nationally Recognized Testing Laboratory to be compliant with the FCC regulations.

3.2.7.2 Monitors must be Energy Star Compliant with a minimum level of EPEAT Bronze. Monitors must be a minimum of 17” in size across the diagonal, having an associated graphics control board with video drivers. Monitor must be able to withstand operating temperatures of 110 degrees and 100% humidity.

3.2.7.3 Describe alternatives for offenders with disabilities. i.e., Large print options; Text reader options for the blind; Assistive key-stroke functionality for paralyzed offenders.

3.2.7.4 Vendor to propose solutions that would assist the visually impaired.

3.2.7.5 Each kiosk must have a touch screen video display monitor capable of displaying digitized photographs, graphics, and videos, etc.

3.2.7.6 Touch screen monitor must be secure, safe and capable of withstanding heavy usage in a correctional environment. It must be scratch resistant. Vendor must provide any special care required to keep the screen clean, and prolong the viewing and usage life expectancy.

3.2.7.7 Touch screen monitor shall not be of the “overlay” or “membrane” type. If a “surface acoustic” or “capacitive” technology is not utilized, the vendor must provide an explanation of why another technology is being proposed.

3.2.7.8 Touch screen monitor must reduce the ability to read the screen when viewed from the side to prevent others from viewing displayed information.

3.3 SECURITY REQUIREMENTS

Vendors to describe in detail how the following security requirements will be performed:

- 3.3.1 System must be able to support secure wireless, if required by using facility.
- 3.3.2 Kiosks may or may not connect to DOC information technology infrastructure.
- 3.3.3 Vendor to detail plans to support their proposal both ways.
- 3.3.4 Incoming e-mail is screened by the system using keyword search before download is allowed. Keyword screening would evaluate risk level of e-mail. Unacceptable or questionable (moderate to high risk) e-mail is held or staged at a central location computer for DOC approval before it is available for offender delivery or download.
 - Keyword search may be edited at any time.
 - Offender email must be stored by vendor or transferrable to DOC storage.
- 3.3.5 Internet access/direct e-mail reply is not allowed within the Nevada Department of Corrections. Vendor to detail how this could be managed with their systems.
- 3.3.6 MP3 music downloads – Player connects and accepts downloads only from the secure kiosk. No direct access to the internet within the Nevada Department of Corrections. Vendor to detail plans to support their proposal with and without direct access to the internet.
- 3.3.7 Recording Video Visitations
- 3.3.8 Vendor must have contractual rights to distribute digital media from major music labels or other entertainment fields to provide reasonable volume of acceptable media content.

3.4 MAINTENANCE/SERVICE

- 3.4.1 Software Modification by the vendor and Release Management.
 - 3.4.1.1 Department initiated modification to the software; the vendor shall provide the following:
 - Timely cost estimates; and
 - Reasonable delivery date for enhancements, as mutually agreed upon.
 - 3.4.1.2 The vendor will prepare software releases and stages for testing, validation and acceptance in a test environment. The Department will perform testing for authorization to proceed prior to migration to production environment.
 - 3.4.1.3 The vendor shall propose, provide, and describe their solution for change management. These must include at a minimum:
 - Version number;
 - Description of the change;
 - How the change was initiated (i.e. user or system support);
 - Person requesting the change;
 - Person responsible for the change; and
 - Date and time of the change.

- 3.4.1.4 Vendor to provide maintenance and service plan to include frequency and speed of maintenance. Downtime shall not extend past a 24 hour period.
- 3.4.1.5 The successful contractor must provide support for the equipment Monday through Friday 8:00 am to 5:00 pm in participating state's time zone. Vendor must provide the toll free number for agency to call when service is needed.
- 3.4.1.6 Maintain levels of service and machine installation at no cost to state.
- 3.4.1.7 No additional installation cost for changing out machines that need repair or replacement.
- 3.4.1.8 The vendor will coordinate its service schedule in advance with the institution.
- 3.4.1.9 If ownership of equipment shall remain with the contractor, the state shall provide reasonable measures against loss by pilferage or destruction. The vendor shall be responsible for any expenses required for the repair of the equipment.
- 3.4.1.10 The successful vendor must provide following support services for equipment placed within state buildings, that include but are not limited to:
 - Unlimited phone support;
 - Updates and upgrades;
 - Security-related updates to their proposed solution, which may be called updates, upgrades, patches, service packs, hot fixes, or workarounds.

3.5 REPORTING

- 3.5.1 Vendor must include in their proposal reporting capabilities for machines to be provided, to include but not limited to the following:
 - Processing time per transaction;
 - Number of transactions per day;
 - Offender purchases;
 - The number of an individual's purchases;
 - Transactions rejected and rejection reason;
 - The source and amount of deposits to offender accounts;
 - Use and statistical reports by function. (i.e. Banking queries, store sales, phone time, etc; and
 - Be able to provide custom reports as may be requested by individual participating entities. Describe in general, the level of sophistication and complexity, custom usage report data that you can provide to the participating entities. Vendors should provide a sample report with their proposal.
- 3.5.2 Reporting shall be provided in the format required by MCPA/NASPO Reporting Forms (Attachment N).
- 3.5.3 The following usage reports shall be submitted for the respective quarter:
 - A quarterly summary of equipment sold.

- A quarterly summary by category.

Reports are to be submitted to the lead State in the format required by MCPA (Attachment N).

Reporting Dates:

- 1st Quarter – July – September – due by November 15th
- 2nd Quarter – October – December – due by February 15th
- 3rd Quarter – January – March – due by May 15th
- 4th Quarter – April – June – due by August 15th

3.6 TRAINING

Vendor to provide all training materials and user manuals.

3.7 SYSTEM WARRANTY

Equipment must carry a minimum one (1) year warranty that it is free from defects in material and workmanship. If defects are identified, the successful vendor agrees to repair or replace defective parts promptly on a like-for-like basis without additional cost to the customer. Any and all items failing during the warranty period will be replaced promptly free of charge. Upon significant failure, the warranty period will commence again for a minimum 90 additional days. Significant failure shall be determined by the Participating State Contract Administrator.

3.8 DEPARTMENT OF CORRECTIONS REQUIRMENTS

3.8.1 Security

3.8.1.1 Upon approval of the contract and prior to the start of work, each of the staff assigned by the contractor and/or subcontractor to this project may be required to sign non-disclosure agreements to be determined by each participating State.

3.8.1.2 All non-disclosure agreements shall be enforced and remain in force throughout the term of the contract.

3.8.1.3 All employees of vendors entering prison grounds must adhere to NDOC Security Regulations (Attachment K).

3.8.2 Work Area/Project Preparation

Prior to commencement of work, the awarded vendor shall ensure that:

- Arrangements have been made for any disposal of waste materials per Scope of Work;
- All tools, equipment and materials are on hand; and
- Any applicable worker training has been completed and documentation is on site required.

3.8.3 Health and Safety Standards

3.8.3.1 The awarded vendor shall comply with all applicable federal, state, and local requirements for protecting the safety of the contractor's employees, building occupants, and the environment.

3.8.3.2 The awarded vendor must comply with all Federal, State and Local rules and regulations.

3.8.4 Employee Background Clearance Requirements

Upon contract award, and at least four (4) days prior to beginning work, the awarded vendor shall submit a completed Contractors Background Check Applications (Attachment M), Consent for Release of Criminal History Records form (DOC560) for each employee who will be working on this project (unless previously cleared for the Site Visit).

Note: No personnel entering the correctional facilities may be ex-felons.

Forms must be sent to:

NDOC Contracts
Attn: Martha Simas
P.O. Box 7011
Carson City, NV 89701
Phone: (775) 887-3319 / Fax: (775) 887-3343
Email: msimas@doc.nv.gov

Faxes or e-mailed forms will be accepted, but the original form must be sent by US postal mail within three (3) days or clearance may be revoked.

3.9 OPTIONAL/OTHER SERVICES

Vendor may submit additional options. Options must be listed in detail.

3.10 DOCUMENTATION

3.10.1 Detailed technical system documentation and system design specifications, descriptions of all proposed kiosk hardware and software, operating instructions, footprints, power and environmental requirements, model numbers, makes, serial numbers, electrical and grounding requirements, temperature and humidity ranges, software components and features, etc.

3.10.2 As applicable, prior to production implementation, the successful vendor shall provide to the DOC detailed technical system documentation, detailed system design specifications, descriptions of all proposed kiosk hardware and software, operating instructions, footprints, power and environmental requirements, model numbers, makes, serial numbers, electrical and grounding requirements, temperature and humidity ranges, software components and features, etc.

4. PROJECT TERMS AND CONDITIONS

4.1 Contractual Special Terms and Conditions

- 4.1.1 Participating Addendum – Individual Participating States may, through a Participating Addendum, limit:
 - 4.1.1.1 The awardees;
 - 4.1.1.2 Available financial vehicles;
 - 4.1.1.3 Equipment Groupings, segments, models, standardized configurations, available accessories, available software;
 - 4.1.1.4 Exclusion of geographical areas;
 - 4.1.1.5 As well as additional items as deemed necessary by the Participating State.
 - 4.1.1.6 States may also, through the Participating Addendum, expand or restrict these options for Participating Political Subdivisions.

5 COMPANY BACKGROUND AND REFERENCES

5.1 PRIMARY VENDOR INFORMATION

Vendors must provide a company profile. Information provided shall include:

- 5.1.1 Company ownership (sole proprietor, partnership, etc).
 - 5.1.1.1 Incorporated companies must identify the state in which the company is incorporated and the date of incorporation. **Please be advised**, pursuant to NRS §80.010, incorporated companies must register with the State of Nevada, Secretary of State’s Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded vendor, unless specifically exempted by NRS §80.015.
 - 5.1.1.2 The selected vendor, prior to doing business in the State of Nevada, must be appropriately licensed by the Office of the Secretary of State pursuant to NRS §76. Information regarding the Nevada Business License can be located at <http://sos.state.nv.us>. Vendor’s must provide the following:
 - Nevada Business License Number
 - Legal Entity Name
 - Is “Legal Entity Name” the same name as vendor is doing business as? [] Yes [] No
If “No,” provide explanation.
- 5.1.2 Disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigation pending which involves the vendor or in which the vendor has been judged guilty or liable with the State of Nevada.
- 5.1.3 Location(s) of the company offices and location of the office that will provide the services described in this RFP.
- 5.1.4 Number of employees both locally and nationally.
- 5.1.5 Location(s) from which employees will be assigned.
- 5.1.6 Name, address and telephone number of the vendor’s point of contact for a contract resulting from this RFP.
- 5.1.7 Company background/history and why vendor is qualified to provide the services described in this RFP.

- 5.1.8 Length of time vendor has been providing services described in this RFP to the **public and/or private sector**. Please provide a brief description.
- 5.1.9 Has the vendor ever been engaged under contract by any State of Nevada agency?
 Yes No If "Yes," specify when, for what duties, and for which agency.
- 5.1.10 Is the vendor or any of the vendor's employees employed by the State of Nevada, any of its political subdivisions or by any other government?
 Yes No If "Yes," is that employee planning to render services while on annual leave, compensatory time, sick leave, or on his own time?
- 5.1.11 Resumes for key staff to be responsible for performance of any contract resulting from this RFP.
- 5.1.12 **Financial information and documentation to be included in Part III of your response in accordance with the Submittal Instructions.**
 - 5.1.12.1 Dun and Bradstreet number
 - 5.1.12.2 Federal Tax Identification Number
 - 5.1.12.3 The last two - (2) years and current year interim:
 Profit and Loss Statement
 Balance Statement

5.2 REFERENCES

Vendors should provide a minimum of three (3) references from similar projects performed for private, state and/or large local government clients within the last three years. **Vendors are required to submit Attachment D, Reference Form to the business references they list. The business references must submit the Reference Form directly to the Purchasing Division.** It is the vendor's responsibility to ensure that completed forms are received by the Purchasing Division on or before the proposal submission deadline for inclusion in the evaluation process. Business References not received, or not complete, may adversely affect the vendor's score in the evaluation process. The Purchasing Division may contact any or all business references for validation of information submitted.

- 5.2.1 Client name;
- 5.2.2 Project description;
- 5.2.3 Project dates (starting and ending);
- 5.2.4 Technical environment; (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware)
- 5.2.5 Staff assigned to reference engagement that will be designated for work per this RFP; and
- 5.2.6 Client project manager name, telephone number, fax number and e-mail address.

5.3 SUBCONTRACTOR INFORMATION

- 5.3.1 Does this proposal include the use of subcontractors?
 Yes _____ No _____ Unknown _____

If "Yes", vendor must at the time of Participating Addendum:

- 5.3.1.1 Identify specific subcontractors by state and the specific requirements of this RFP for which each proposed subcontractor will perform services.

6. **COST**

Note: All Cost Proposals shall be submitted to the State as a separate, sealed package and clearly marked: “Cost Proposal in Response to RFP No. 1901”, please refer to the Submittal Instructions for further instruction.

The Vendor(s) shall report contract utilization and pay an administrative fee of .5% of the total kiosk spend to MCPA, paid quarterly. The MCPA/NASPO directors approved the level of the administration fee, and the fee is not negotiable. The administrative fee is to be paid quarterly within 60 days of the end of the quarter (See section 3.5 of the RFP for Reporting Schedule). In addition to the MCPA administrative fee, some NASPO and non-NASPO states may require that a fee be paid directly to the state on purchases made by procuring entities within that state. For all such requests, the fee level, payment method and schedule for such reports and payments shall be incorporated in a Participating Addendum that is made a part of the contracts. The Vendor(s) may adjust pricing accordingly for purchases made by procuring agencies within the jurisdiction of the state. Any such price adjustment shall not exceed the dollar value of the additional fee. All such agreements shall have no affect whatsoever on the MCPA fee or on the prices paid by the procuring agencies outside the jurisdiction of the state requesting the additional fee.

Vendors must provide detailed fixed prices for all costs associated with the responsibilities and related services. Clearly specify the nature of all expenses anticipated. Cost must be submitted on Attachment L. All pricing must be FOB destination regardless of state.

The State will not be liable for any costs in preparation of a proposal submitted in response to this RFP, in conduct of a presentation, or any other activities responding to this RFP.

Vendor shall report to the Lead State any price reduction, discount or other more favorable terms offered to any Purchasing Entity, and the awarded vendor agrees to negotiate in good faith to reestablish ceiling prices or other more favorable terms and conditions applicable to future orders.

7. **PAYMENT**

Commission/Revenue

If applicable per proposal, describe the commissions that will be paid to the Department for the use of the system and music downloads.

- 7.1 Payment of commissions must be made on a monthly basis, to each participating state by check or money order. (See attachment L)
- 7.2 Additional details related to commission payments, due dates, penalties for late payment, etc. will be clarified in each participating addendum.

Purchase

- 7.3 Payment for the contracted service will be within 30 - 45 days upon receipt of invoice and the Customers approval.

- 7.4 Successful vendors will invoice the customer in each Participating State directly with that customer paying the vendor or their authorized distributors directly.
- 7.5 No additional payment will be authorized due to labor, materials, equipment, or any other extra costs necessary to meet codes, standards, and regulations.

8. SUBMITTAL INSTRUCTIONS

- 8.1 In lieu of a pre-proposal conference, the Purchasing Division will accept questions and/or comments in writing regarding this RFP.

The RFP Question Submittal Form is located on the Services RFP/RFQ Opportunities webpage at <http://purchasing.state.nv.us/services/sdocs.htm>. Select this RFP number and the "Question" link.

The deadline for submitting questions is April 5, 2011 at 2:00 p.m., Pacific Time. All questions and/or comments will be addressed in writing and responses e-mailed or faxed to prospective vendors on or about April 12, 2011.

- 8.2 RFP Timeline

<u>TASK</u>	<u>DATE/TIME</u>
Deadline for submitting questions	April 5, 2011 at 2:00 p.m.
Answers to all questions submitted available on or about	April 12, 2011
Deadline for submittal of Reference Questionnaires	April 29, 2011 @ 5:00 p.m.
<u>Deadline for submission and opening of proposals</u>	<u>May 4, 2011 @ 2:00 p.m.</u>
Evaluation period	May 5 ~ May 25
Vendor Presentations (approximate time frame)	May 24, 2011
Selection of vendor on or about	May 24, 2011

NOTES: *These dates represent a tentative schedule of events. The State reserves the right to modify these dates at any time.*

The State also reserves the right to forego vendor presentations and select vendor(s) based on the written proposals.

- 8.3 Proposal submission requirements:

- 8.3.1 Vendors shall submit their response in three (3) parts as designated below:

Part I: Technical Proposal

- One (1) original marked "MASTER" sent to State of Nevada Purchasing Division.
- Eight (8) identical copies ~ One (1) each of these copies to be sent to the sourcing team listed in **Section 8.3.3**.
- One (1) identical copy on CD (**Note:** CD must be labeled accordingly and in a case.) sent to State of Nevada Purchasing Division.

Three (3) copies sent to State of Nevada Purchasing Division.

THE TECHNICAL PROPOSAL MUST INCLUDE A SEPARATE TAB/SECTION LABELED "STATE DOCUMENTS" WHICH SHALL INCLUDE:

- Page 1 of RFP
- All Amendments to the RFP
- All Attachments requiring signature
- Certificate of Insurance

Technical Proposal must not include cost or confidential information.

Technical Proposal shall be submitted to the State in a sealed package and be clearly marked:

"Technical Proposal in Response to RFP No. 1901"

Part II: Cost Proposal:

One (1) original marked "MASTER" sent to State of Nevada Purchasing Division.

One (1) identical copy on CD (**Note:** CD must be labeled accordingly and in a case.) State of Nevada Purchasing Division.

Three (3) copies sent to State of Nevada Purchasing Division.

Cost Proposal shall be submitted to the State in a sealed package and be clearly marked:

"Cost Proposal in Response to RFP No. 1901"

Part III: Confidential Information:

One (1) original marked "MASTER" sent to State of Nevada Purchasing Division; and

One (1) identical copy sent to State of Nevada Purchasing Division.

Confidential Information shall be submitted to the State in a sealed package and be clearly marked:

"Confidential Information in Response to RFP No. 1901"

If the separately sealed proposal, marked as required above, are enclosed in another container for mailing purposes, the outermost container must fully describe the contents of the package and be clearly marked:

REQUEST FOR PROPOSAL NO.: 1901

PROPOSAL OPENING DATE: May 4, 2011 @ 2:00 p.m.

FOR: Inmate Kiosks

8.3.2 **Proposal must be received at the address referenced below no later than 2:00 p.m. Pacific Time, May 4, 2011.** Proposals that do not arrive by proposal opening time and date WILL NOT BE ACCEPTED. Vendors may submit their proposal any time prior to the above stated deadline.

ALL PROPOSALS ARE TO BE DELIVERED TO EACH STATE NO LATER THAN MAY 4, 2011 @ 2:00 P.M. PACIFIC TIME (there will be no exceptions, if proposals are not received they will be deemed non responsive)

8.3.3 One copy of each Technical Proposal (Part I) shall be submitted to:

Nevada Evaluators

Dawn Rosenberg, Chief of Purchasing
Nevada Department of Corrections
5500 Snyder Ave
P.O. Box 7011
Carson City, NV 89702

Eric Graham,
Nevada Department of Corrections
5500 Snyder Ave
P.O. Box 7011
Carson City, NV 89702

Ohio Evaluators

Michelle Matheron, Data Administration Manager
Ohio Department of Rehabilitation and Correction Office of Administration
770 West Broad Street
Columbus, Ohio 43222

Virginia Evaluators

Cindy Sager
Department of Corrections
6900 Atmore Drive
Richmond, VA 23225

Lois Fegan
Department of Corrections
6900 Atmore Drive
Richmond, VA 23225

Wyoming Evaluators

Jamie L. Spezzano
WDOC Purchasing Manager
State of Wyoming, Department of Corrections
1934 Wyott Drive, Suite 100, Office A118
Cheyenne, WY 82002

Vince Bocchino
1934 Wyott Drive, Suite 100
Cheyenne, WY 82002

Kenneth Scott Abbott
1934 Wyott Drive, Suite 100
Cheyenne, WY 82002

Remaining proposals shall be submitted to:

State of Nevada, Purchasing Division
Ronda Miller, Services Purchasing
515 E. Musser Street, Suite 300
Carson City, NV 89701

- 8.4 The State will not be held responsible for proposal envelopes mishandled as a result of the envelope not being properly prepared. Facsimile, e-mail or telephone proposals will **NOT** be considered; however, at the State's discretion, the proposal may be submitted all or in part on electronic media, as requested within the RFP document. Proposal may be modified by facsimile, e-mail or written notice provided such notice is received prior to the opening of the proposals.
- 8.5 Although it is a public opening, only the names of the vendors submitting proposals will be announced NRS §333.335(6). Technical and cost details about proposals submitted will not be disclosed. Assistance for handicapped, blind or hearing-impaired persons who wish to attend the RFP opening is available. If special arrangements are necessary, please notify the Purchasing Division designee as soon as possible and at least two days in advance of the opening.
- 8.6 If discrepancies are found between two or more copies of the proposal, the master copy will provide the basis for resolving such discrepancies. If one copy of the proposal is not clearly marked "MASTER," the State may reject the proposal. However, the State may at its sole option, select one copy to be used as the master.
- 8.7 For ease of evaluation, the proposal should be presented in a format that corresponds to and references sections outlined within this RFP and should be presented in the same order. Responses to each section and subsection should be labeled so as to indicate which item is being addressed. Exceptions to this will be considered during the evaluation process.
- 8.8 If complete responses cannot be provided without referencing confidential information, such confidential information must be provided in accordance with submittal instructions and specific references made to the tab, page, section and/or paragraph where the confidential information can be located.
- 8.9 Proposals are to be prepared in such a way as to provide a straightforward, concise delineation of capabilities to satisfy the requirements of this RFP. Emphasis should be concentrated on conformance to the RFP instructions, responsiveness to the RFP requirements, and on completeness and clarity of content. Expensive bindings, colored displays, promotional materials, and unnecessarily elaborate responses beyond what is sufficient to present a complete and effective response to this RFP are not necessary or desired and may be construed as an indication of the proposer's lack of environmental and cost consciousness. Unless specifically requested in this RFP, elaborate artwork,

corporate brochures, lengthy narratives, expensive paper, specialized binding, and other extraneous presentation materials are neither necessary nor desired.

The State of Nevada, in its continuing efforts to reduce solid waste and to further recycling efforts requests that proposals, to the extent possible and practical:

- Be submitted on recycled paper.
 - Not include pages of unnecessary advertising;
 - Be made on both sides of each sheet of paper; and
 - Be contained in re-usable binders rather than with spiral or glued bindings.
- 8.10 Descriptions on how any and all equipment and/or services will be used to meet the requirements of this RFP shall be given, in detail, along with any additional information documents that are appropriately marked.
- 8.11 The proposal must be signed by the individual(s) legally authorized to bind the vendor, see NRS §333.337.
- 8.12 For ease of responding to the RFP, vendors are encouraged, but not required, to request an electronic copy of the RFP. Electronic copies are available in the following formats: Word 2003 via e-mail, diskette, or on the State Purchasing Division's website in PDF or EXE format at <http://purchasing.state.nv.us>. When requesting an RFP via e-mail or diskette, vendors should contact the Purchasing Division for assistance. In the event vendors choose to receive the RFP on diskette, the vendor will be responsible for providing a blank 3.5" formatted diskette; unless vendors provide a Federal Express, Airborne Express, etc. account number and appropriate return materials, the diskette will be returned by first class U.S. mail.
- 8.13 Vendors utilizing an electronic copy of the RFP in order to prepare their proposal should place their written response in *an easily distinguishable font* immediately following the applicable question.
- 8.14 *For purposes of addressing questions concerning this RFP, the sole contact will be the Purchasing Division. Upon issuance of this RFP, other employees and representatives of the agencies identified in the RFP will not answer questions or otherwise discuss the contents of this RFP with any prospective vendors or their representatives. Failure to observe this restriction may result in disqualification of any subsequent proposal NAC §333.155(3).* This restriction does not preclude discussions between affected parties for the purpose of conducting business unrelated to this procurement.
- 8.15 Vendor who believes proposal requirements or specifications are unnecessarily restrictive or limit competition may submit a request for administrative review, in writing, to the Purchasing Division. To be considered, a request for review must be **received** no later than the deadline for submission of questions.

The Purchasing Division shall promptly respond in writing to each written review request, and where appropriate, issue all revisions, substitutions or clarifications through a written amendment to the RFP.

Administrative review of technical or contractual requirements shall include the reason

for the request, supported by factual information, and any proposed changes to the requirements.

- 8.16 If a vendor changes any material RFP language, vendor's response may be deemed non-responsive. NRS §333.311.
- 8.17 Vendors are cautioned that some services may contain licensing requirement(s). Vendors shall be proactive in verification of these requirements prior to proposal submittal. Proposals, which do not contain the requisite licensure, may be deemed non-responsive. However, this does not negate any applicable Nevada Revised Statute (NRS) requirements.

9. PROPOSAL EVALUATION AND AWARD PROCESS

9.1 Proposals shall be consistently evaluated and scored in accordance with NRS §333.335(3) based upon the following criteria:

- Demonstrated competence/experience in performance of comparable engagements
 - Technological merits
 - Environmental and accessibility merits
 - Ability to service the Contract.
 - All-encompassing approach to proposed equipment, software and services
 - Conformance with the requirements, terms and conditions of this RFP
 - Pricing
-
- Presentations – Following the evaluation and scoring process specified above, the State may require vendors to make a presentation of their proposal to the evaluation committee or other State staff, as applicable. The State, at its option, may limit participation in vendor presentations up to the four (4) highest ranking vendors. NOTE: The State reserves the right to forego vendor presentations and select vendor(s) based on the written proposal.

Note: Financial stability will be scored on a pass/fail basis

Proposals shall be kept confidential until a contract is awarded.

- 9.2 The evaluation committee may also contact the references provided in response to the Section identified as Company Background and References; contact any vendor to clarify any response; contact any current users of a vendor's services; solicit information from any available source concerning any aspect of a proposal; and seek and review any other information deemed pertinent to the evaluation process. The evaluation committee shall not be obligated to accept the lowest priced proposal, but shall make an award in the best interests of the State of Nevada NRS § 333.335(5)
- 9.3 Each vendor must include in its proposal a complete disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending which involves the vendor or in which the vendor has been judged guilty or liable. Failure to comply with the terms of this provision may disqualify any proposal. The State reserves the right to reject any proposal based upon the vendor's prior history with the State or with any other party, which documents, without limitation,

unsatisfactory performance, adversarial or contentious demeanor, significant failure(s) to meet contract milestones or other contractual failures. See generally, NRS §333.335.

- 9.4 Clarification discussions may, at the State's sole option, be conducted with vendors who submit proposals determined to be acceptable and competitive NAC §333.165. Vendors shall be accorded fair and equal treatment with respect to any opportunity for discussion and/or written revisions of proposals. Such revisions may be permitted after submissions and prior to award for the purpose of obtaining best and final offers. In conducting discussions, there shall be no disclosure of any information derived from proposals submitted by competing vendors.
- 9.5 A Notification of Intent to Award shall be issued in accordance with NAC §333.170. Any award is contingent upon the successful negotiation of final contract terms and upon approval of the Board of Examiners, when required. Negotiations shall be confidential and not subject to disclosure to competing vendors unless and until an agreement is reached. If contract negotiations cannot be concluded successfully, the State upon written notice to all vendors may negotiate a contract with the next highest scoring vendor or withdraw the RFP.
- 9.6 Any contract resulting from this RFP shall not be effective unless and until approved by the Nevada State Board of Examiners (NRS 284.173).

10. TERMS, CONDITIONS AND EXCEPTIONS

- 10.1 Performance of vendors will be rated semi-annually following contract award and then annually for the term of the contract by the using State agency in six categories: Customer service; timeliness; quality; technology; flexibility; and pricing. Vendors will be notified in writing of their rating.
- 10.2 In accordance with Nevada Revised Statute 333.336, if a vendor submitting a proposal in response to this solicitation is a resident of another state, and with respect to contracts awarded by that state, applies to vendors who are residents of that state a preference, which is not afforded to vendors or contractors who are residents of the State of Nevada, the State of Nevada, Purchasing Division shall, insofar as is practicable, increase the out of state vendor's proposal by an amount that is substantially equivalent to the preference that the other state of which the vendor is a resident denies to vendors or contractors who are residents of the State of Nevada.
- 10.3 This procurement is being conducted in accordance with NRS chapter 333 and NAC chapter 333.
- 10.4 The State reserves the right to alter, amend, or modify any provisions of this RFP, or to withdraw this RFP, at any time prior to the award of a contract pursuant hereto, if it is in the best interest of the State to do so.
- 10.5 The State reserves the right to waive informalities and minor irregularities in proposals received.
- 10.6 The State reserves the right to reject any or all proposals received prior to Contract award (NRS §333.350).

- 10.7 The State shall not be obligated to accept the lowest priced proposal, but will make an award in the best interests of the State of Nevada after all factors have been evaluated (NRS §333.335).
- 10.8 Any irregularities or lack of clarity in the RFP should be brought to the Purchasing Division designee's attention as soon as possible so that corrective addenda may be furnished to prospective vendors.
- 10.9 Proposals must include any and all proposed terms and conditions, including, without limitation, written warranties, maintenance/service agreements, license agreements, lease purchase agreements and the vendor's standard contract language. The omission of these documents renders a proposal non-responsive.
- 10.10 Alterations, modifications or variations to a proposal may not be considered unless authorized by the RFP or by addendum or amendment.
- 10.11 Proposals which appear unrealistic in the terms of technical commitments, lack of technical competence, or are indicative of failure to comprehend the complexity and risk of this Contract, may be rejected.
- 10.12 Proposals from employees of the State of Nevada will be considered in as much as they do not conflict with the State Administrative Manual, NRS Chapter §281 and NRS Chapter §284.
- 10.13 Proposals may be withdrawn by written or facsimile notice received prior to the proposal opening time. Withdrawals received after the proposal opening time will not be considered except as authorized by NRS §333.350(3).
- 10.14 The price and amount of this proposal must have been arrived at independently and without consultation, communication, agreement or disclosure with or to any other contractor, vendor or prospective vendor. Collaboration among competing vendors about potential proposals submitted pursuant to this RFP is prohibited and may disqualify the vendor.
- 10.15 No attempt may be made at any time to induce any firm or person to refrain from submitting a proposal or to submit any intentionally high or noncompetitive proposal. All proposals must be made in good faith and without collusion.
- 10.16 Prices offered by vendors in their proposals are an irrevocable offer for the term of the Contract and any contract extensions. The awarded vendor agrees to provide the purchased services at the costs, rates and fees as set forth in their proposal in response to this RFP. No other costs, rates or fees shall be payable to the awarded vendor for implementation of their proposal.
- 10.17 The State is not liable for any costs incurred by vendors prior to entering into a formal contract. Costs of developing the proposal or any other such expenses incurred by the vendor in responding to the RFP, are entirely the responsibility of the vendor, and shall not be reimbursed in any manner by the State.
- 10.18 All proposals submitted become the property of the State, selection or rejection does not affect this right; proposals will be returned only at the State's option and at the vendor's request and expense. The master technical proposal, the master cost proposal and

Confidential Information of each response shall be retained for official files. Only the master technical and master cost will become public record after the award of a contract. The failure to separately package and clearly mark Part IV – which contains Confidential Information, Trade Secrets and/or Proprietary Information shall constitute a complete waiver of any and all claims for damages caused by release of the information by the State.

- 10.19 A proposal submitted in response to this RFP must identify any subcontractors, and outline the contractual relationship between the awarded vendor and each subcontractor. An official of each proposed subcontractor must sign, and include as part of the proposal submitted in response to this RFP, a statement to the effect that the subcontractor has read and will agree to abide by the awarded vendor's obligations.
- 10.20 The awarded vendor will be the sole point of contract responsibility. The State will look solely to the awarded vendor for the performance of all contractual obligations which may result from an award based on this RFP, and the awarded vendor shall not be relieved for the non-performance of any or all subcontractors.
- 10.21 The awarded vendor must maintain, for the duration of its contract, insurance coverages as set forth in the Insurance Schedule of the Contract form appended to this RFP. Work on the Contract shall not begin until after the awarded vendor has submitted acceptable evidence of the required insurance coverages. Failure to maintain any required insurance coverage or acceptable alternative method of insurance will be deemed a breach of Contract.
- 10.22 Notwithstanding any other requirement of this section, the State reserves the right to consider reasonable alternative methods of insuring the Contract in lieu of the insurance policies required by the below-stated Insurance Schedule. It will be the awarded vendor's responsibility to recommend to the State alternative methods of insuring the Contract. Any alternatives proposed by a vendor should be accompanied by a detailed explanation regarding the vendor's inability to obtain insurance coverage as described below. The State shall be the sole and final judge as to the adequacy of any substitute form of insurance coverage.
- 10.23 Each vendor must disclose any existing or potential conflict of interest relative to the performance of the contractual services resulting from this RFP. Any such relationship that might be perceived or represented as a conflict should be disclosed. By submitting a proposal in response to this RFP, vendors affirm that they have not given, nor intend to give at any time hereafter, any economic opportunity, future employment, gift, loan, gratuity, special discount, trip, favor, or service to a public servant or any employee or representative of same, in connection with this procurement. Any attempt to intentionally or unintentionally conceal or obfuscate a conflict of interest will automatically result in the disqualification of a vendor's proposal. An award will not be made where a conflict of interest exists. The State will determine whether a conflict of interest exists and whether it may reflect negatively on the State's selection of a vendor. The State reserves the right to disqualify any vendor on the grounds of actual or apparent conflict of interest.
- 10.24 The State will not be liable for Federal, State, or Local excise taxes NRS §372.325.
- 10.25 Attachment B of this RFP shall constitute an agreement to all terms and conditions specified in the RFP, including, without limitation, the Attachment C contract form and

all terms and conditions therein, except such terms and conditions that the vendor expressly excludes. Exceptions will be taken into consideration as part of the evaluation process.

- 10.26 The State reserves the right to negotiate final contract terms with any vendor selected NAC §333.170. The contract between the parties will consist of the RFP together with any modifications thereto, and the awarded vendor's proposal, together with any modifications and clarifications thereto that are submitted at the request of the State during the evaluation and negotiation process. In the event of any conflict or contradiction between or among these documents, the documents shall control in the following order of precedence: the final executed contract, the RFP, any modifications and clarifications to the awarded vendor's proposal, and the awarded vendor's proposal. Specific exceptions to this general rule may be noted in the final executed contract.
- 10.27 Vendor understands and acknowledges that the representations above are material and important, and will be relied on by the State in evaluation of the proposal. Any vendor misrepresentation shall be treated as fraudulent concealment from the State of the true facts relating to the proposal.
- 10.28 No announcement concerning the award of a contract as a result of this RFP can be made without the prior written approval of the State.
- 10.29 The Nevada Attorney General will not render any type of legal opinion regarding this transaction.
- 10.30 Any unsuccessful vendor may file an appeal in strict compliance with NRS 333.370 and chapter 333 of the Nevada Administrative Code.
- 10.31 Local governments (as defined in NRS §332.015) are intended third party beneficiaries of any contract resulting from this RFP and any local government may join or use any contract resulting from this RFP subject to all terms and conditions thereof pursuant to NRS §332.195. The State is not liable for the obligations of any local government which joins or uses any contract resulting from this RFP.
- 10.32 Any person who requests or receives a Federal contract, grant, loan or cooperative agreement shall file with the using agency a certification that the person making the declaration has not made, and will not make, any payment prohibited by subsection (a) of 31 U.S.C. §1352.

11. **SUBMISSION CHECKLIST**

This checklist is provided for vendor’s convenience only and identifies documents that must be submitted with each package in order to be considered responsive. Any proposals received without these requisite documents may be deemed non-responsive and not considered for contract award.

Part I TECHNICAL PROPOSAL:

Completed

Required number of Technical proposals (per Submittal Instructions) _____

Part II COST PROPOSAL:

Required number of Cost proposals (per Submittal Instructions) _____

Part III STATE DOCUMENTS:

Required Forms to be submitted labeled “State Documents”:

- Page 1 of the RFP completed _____
- All Amendments completed and signed _____
- Primary Vendor Attachments A & B signed _____
- Primary Vendor Information provided _____
- Certificate of Insurance – Primary vendor only _____

Part IV CONFIDENTIAL INFORMATION:

- Required number of Confidential Information (per Submittal Instructions and defined in Acronyms/Definitions) _____
- Financial Information _____

REMINDERS:

1. Send out Reference forms for Primary Vendor (with Part A completed) _____
2. Send out Reference forms for Subcontractors (with Part A completed) (if applicable) _____

Attachment A
CONFIDENTIALITY OF PROPOSALS AND
CERTIFICATION OF INDEMNIFICATION
PRIMARY VENDOR

Submitted proposals, which are marked "confidential" in their entirety, or those in which a significant portion of the submitted proposal is marked "confidential" **will not** be accepted by the State of Nevada. Pursuant to NRS §333.333, only specific parts of the proposal may be labeled a "trade secret" as defined in NRS §600A.030(5). All proposals are confidential until the Contract is awarded; at which time, both successful and unsuccessful vendors' technical and cost proposals become public information. In accordance with the Submittal Instructions of this document, vendors are requested to submit confidential information in a separate envelope or binder marked "confidential."

The State will not be responsible for any information contained within the proposal should vendors not comply with the labeling and packing requirements, proposals will be released as submitted. In the event a governing board acts as the final authority, there may be public discussion regarding the submitted proposals that will be in an open meeting format, the proposals will remain confidential.

By signing below, I understand it is my responsibility as the vendor to act in protection of the labeled information and agree to defend and indemnify the State of Nevada for honoring such designation. I duly realize failure to so act will constitute a complete waiver and all submitted information will become public information; additionally, failure to label any information that is released by the State shall constitute a complete waiver of any and all claims for damages caused by the release of the information.

This proposal contains Confidential Information, Trade Secrets and/or Proprietary information as defined in Section 2 "ACRONYMS/DEFINITIONS."

YES _____ NO _____

VENDOR NAME _____

SIGNATURE _____
Primary Vendor

PRINT NAME _____
Primary Vendor

_____ Date

This document must be submitted in the
"State Documents" section/tab

Attachment B
CERTIFICATION OF COMPLIANCE WITH
TERMS AND CONDITIONS OF RFP
PRIMARY VENDOR

I have read, understand and agree to comply with the terms and conditions specified in this Request for Proposal.

Checking "YES" indicates acceptance of all terms and conditions, while checking "NO" denotes non-acceptance and vendor's exceptions should be detailed below. In order for any exceptions to be considered they **MUST** be documented.

YES _____ NO _____

VENDOR NAME _____

SIGNATURE _____
Primary Vendor

PRINT NAME _____
Primary Vendor Date _____

EXCEPTION SUMMARY FORM

RFP SECTION NUMBER	RFP PAGE NUMBER	EXCEPTION (PROVIDE A DETAILED EXPLANATION)

Attach additional sheets if necessary. Please use this format.

This document must be submitted in the "State Documents" section/tab

Attachment C

MASTER SERVICE AGREEMENT

The following Master Service Agreement (MSA) is provided as a courtesy to vendors interested in responding to this RFP. Please review the terms and conditions in this form, as this is the standard Contract used by the Lead State for all services of independent contractors awarded through a WSCA solicitation. It is not necessary for vendors to complete the MSA Form with their proposal responses.

All vendors are required to submit a Certificate of Insurance in the "State Documents tab/section of their proposal identifying the coverages and minimum limits currently in effect.

MASTER SERVICE AGREEMENT FOR SERVICES OF INDEPENDENT CONTRACTOR

A Contract between the Western States Contracting Alliance
Acting by and through the State of Nevada

(NAME, ADDRESS, PHONE AND FACSIMILE NUMBER OF CONTRACTING AGENCY)

and

(NAME, CONTACT PERSON, ADDRESS, PHONE, FACSIMILE NUMBER OF INDEPENDENT CONTRACTOR)

Pursuant to Nevada Revised Statute (NRS) 277.100, NRS 277.110, NRS 333.162(1)(d), and NRS 333.480 the Chief of the Purchasing Division of Nevada is authorized to enter into cooperative group-contracting consortium.

The Western States Contracting Alliance is a cooperative group-contracting consortium for state government departments, institutions, agencies and political subdivisions (i.e., colleges, school districts, counties, cities, etc.) for the states of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Minnesota, Montana, Nevada, New Mexico, Oregon, South Dakota, Utah, Washington and Wyoming.

In consideration of the above premises, the parties mutually agree as follows:

1. **REQUIRED APPROVAL.** This contract shall not become effective until and unless approved by the Western States Contracting Alliance Board of Directors.
2. **DEFINITIONS.** "WSCA" means the Western States Contracting Alliance. "State" and/or "Lead State" means the State of Nevada and its state agencies, officers, employees and immune contractors as defined in NRS 41.0307. "Participating State(s)" means state(s) that have signed (and not revoked) an Intent to Contract at the time of the award of this contract, or who have executed a Participating Addendum. "Buyer" means any WSCA agency or political subdivision participating under this contract. "Contractor" and/or Contracting Agency" means a person or entity that performs services and/or provides goods for WSCA under the terms and conditions set forth in this contract. "Solicitation" means RFP # 1715 incorporated herein as Attachment AA. "Fiscal Year" is defined as the period beginning July 1 and ending June 30 of the following year.
3. **CONTRACT TERM.** This contract shall be effective from _____ subject to WSCA Board of Directors' approval to _____, unless sooner terminated by either party as specified in paragraph (21).
4. **CANCELLATION OF CONTRACT; NOTICE.** Unless otherwise stated in the special terms and conditions, any contract entered into as a result of the Solicitation may be canceled by either party upon written notice sixty (60) days prior to the effective date of the cancellation. Further, any Participating State may cancel its participation upon thirty (30) days written notice, unless otherwise limited or stated in the special terms and conditions of the Solicitation. Cancellation may be in whole or in part. Any cancellation under this provision shall not effect the rights and obligations attending orders outstanding at the time of cancellation, including any right of any Participating State to indemnification by the Contractor, rights of payment for goods/services delivered and accepted, and rights attending any warranty or default in performance in association with any order. Cancellation of the contract due to Contractor default may be immediate.
5. **INCORPORATED DOCUMENTS.** The parties agree that the scope of work shall be specifically described; this contract incorporates the following attachments in descending order of constructive precedence:

- ATTACHMENT AA: SOLICITATION #I901 (Scope of Work) and ATTACHMENTS (list attachments);
- ATTACHMENT BB: INSURANCE SCHEDULE
- ATTACHMENT CC: CONTRACTOR'S RESPONSE

A Contractor's attachment shall not contradict or supersede any WSCA specifications, terms or conditions without written evidence of mutual assent to such change appearing in this contract.

7. **ASSENT.** The parties agree that the terms and conditions listed on incorporated attachments of this contract are also specifically a part of this contract and are limited only by their respective order of precedence and any limitations specified.
8. **BID SPECIFICATIONS.** Contractor certifies that any deviation from the specifications in the scope of work, incorporated herein as part of Attachment AA, have been clearly indicated by Contractor in its response, incorporated herein as Attachment BB; otherwise, it will be considered that the bid is in strict compliance. Any BRAND NAMES or manufacturers' numbers are stated in the specifications are intended to establish a standard only and are not restrictive unless the Solicitation states "no substitute," and unless so stated, bids have been considered on other makes, models or brands having comparable quality, style, workmanship and performance characteristics. Alternate bids offering lower quality or inferior performance have not been considered.

9. ACCEPTANCE OR REJECTION OF BIDS, AND AWARD. WSCA has the right to accept or reject any or all bids or parts of bids, and to waive informalities therein. This contract is based the lowest responsive and responsible bid and meets the specifications of the Solicitation and terms and conditions thereof. Unless stated otherwise in the Solicitation, WSCA has the right to award items separately or by grouping items in a total lot.
10. BID SAMPLES. Any required samples have been specifically requested in the Solicitation. Samples, when required, have been furnished free of charge. Except for those samples destroyed or mutilated in testing, samples will be returned at a bidder's request, transportation collect.
11. CONSIDERATION. The parties agree that Contractor will provide the services specified in paragraph (5) at a cost of \$ _____ per _____ (state the exact cost or hourly, daily, or weekly rate exclusive of travel or per diem expenses). Unless otherwise stated in the special terms and conditions, for the purpose of award, offers made in accordance with the Solicitation must be good and firm for a period of ninety (90) days from the date of bid opening. Contracted prices represent ceiling prices for the supplies and services offered. The Contractor shall report to the Lead State any price reduction or discount, or other more favorable terms offered to any Purchasing Entity and the Contractor agrees to negotiate in good faith to re-establish ceiling prices or other more favorable terms and conditions applicable to future orders. Bid prices must remain firm for the full term of the contract. In the case of error in the extension of prices in the bid, the unit prices will govern. WSCA does not guarantee to purchase any amount under this contract. Estimated quantities in the Solicitation are for bidding purposes only and are not to be construed as a guarantee to purchase any amount. Unless otherwise stated in the special terms and conditions offers made in accordance with the Solicitation must be good and firm for a period of ninety (90) days from the date of bid opening. Bid prices must remain firm for the full term of the contract. In the case of error in the extension of prices in the bid, the unit prices will govern. If Contractor has quoted a cash discount based upon early payment; discounts offered for less than thirty (30) days have not been considered in making the award. The date from which discount time is calculated shall be the date a correct invoice is received or receipt of shipment, whichever is later; except that if testing is performed, the date shall be the date of acceptance of the merchandise. WSCA is not liable for any costs incurred by the bidder in proposal preparation.
12. PAYMENT. Payment for completion of a contract is normally made within thirty (30) days following the date the entire order is delivered or the date a correct invoice is received, whichever is later. After forty-five (45) days the Contractor may assess overdue account charges up to a maximum rate of one (1) percent per month on the outstanding balance. Payments will be remitted by mail. Payments may be made via a Participating State's "Purchasing Card."
13. TAXES. Prices shall be exclusive of state sales and federal excise taxes. Where a Participating State is not exempt from sales taxes on sales within its state, the Contractor shall add the sales taxes on the billing invoice as a separate entry. Contractor will be responsible to pay all taxes, assessments, fees, premiums, permits, and licenses required by law. The Lead State's real property and personal property taxes are the responsibility of Contractor in accordance with NRS 361.157 and NRS 361.159. Contractor agrees to be responsible for payment of any such government obligations not paid by its subcontractors during performance of this contract. Nevada may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.
14. FINANCIAL OBLIGATIONS OF PARTICIPATING STATES. Financial obligations of Participating States are limited to the orders placed by the departments or other state agencies and institutions having available funds. Participating States incur no financial obligations on behalf of political subdivisions. Unless otherwise specified in the Solicitation, the resulting award(s) will be permissive.
15. ORDER NUMBERS. Contract order and purchase order numbers shall be clearly shown on all acknowledgments, shipping labels, packing slips, invoices, and on all correspondence.
16. REPORTS. The Contractor shall submit quarterly reports to the WSCA Contract Manager showing the quantities and dollar volume of purchases by each Participating State.
17. DELIVERY. The prices bid shall be the delivered price to any WSCA state agency or political subdivision. All deliveries shall be F.O.B. destination with all transportation and handling charges paid by the Contractor. Responsibility and liability for loss or damage shall remain with the Contractor until final inspection and acceptance, when responsibility shall pass to the Buyer except as to latent defects, fraud and Contractor's warranty obligations. The minimum shipment amount will be found in the special terms and conditions. Any order for less than the specified amount is to be shipped with the freight prepaid and added as a separate item on the invoice. Any portion of an order to be shipped without transportation charges that is back-ordered shall be shipped without charge.
18. HAZARDOUS CHEMICAL INFORMATION. The Contractor will provide one set of the appropriate material safety data sheet(s) and container label(s) upon delivery of a hazardous material to any Buyer. All safety data sheets and labels will be in accordance with each Participating State's requirements.
19. INSPECTIONS. Goods furnished under this contract shall be subject to inspection and test by the Buyer at times and places determined by the Buyer. If the Buyer finds goods furnished to be incomplete or in non-compliance with bid specifications, the Buyer may reject the goods and require Contractor to either correct them without charge or deliver them at a reduced price which is equitable under the circumstances. If Contractor is unable or refuses to correct such goods within a time deemed reasonable by the Buyer, the Buyer may cancel the order in whole or in part. Nothing in this paragraph shall adversely affect the Buyer's rights including the rights and remedies associated with revocation of acceptance under the Uniform Commercial Code.
20. INSPECTION & AUDIT.

a. Books and Records. The Contractor will maintain, or supervise the maintenance of all records necessary to properly account for the payments made to the Contractor for costs authorized by this contract. Contractor agrees to keep and maintain under generally accepted accounting principles (GAAP) full, true and complete records, contracts, books, and documents as are necessary to fully disclose to WSCA, the State or United States Government, or their authorized representatives, upon audits or reviews, sufficient information to determine compliance with all state and federal regulations and statutes.

b. Inspection & Audit. Contractor agrees that the relevant books, records (written, electronic, computer related or otherwise), including, without limitation, relevant accounting procedures and practices of Contractor or its subcontractors, financial statements and supporting documentation, and documentation related to the work product shall be subject, at any reasonable time, to inspection, examination, review, audit, and copying at any office or location of Contractor where such records may be found, with or without notice by WSCA; the United States Government; the State Auditor or its contracted examiners, the Department of Administration, Budget Division, the Nevada State Attorney General's Office or its Fraud Control Units, the State Legislative Auditor, and with regard to any federal funding, the relevant federal agency, the Comptroller General, the General Accounting Office, the Office of the Inspector General, or any of their authorized representatives. All subcontracts shall reflect requirements of this paragraph.

c. Period of Retention. All books, records, reports, and statements relevant to this contract must be retained a minimum four (4) years after the contract terminates or until all audits initiated within the four (4) years have been completed, whichever is later, and for five (5) years if any federal funds are used in the contract. The retention period runs from the date of payment for the relevant goods or services by the State, or from the date of termination of the Contract, whichever is later. Retention time shall be extended when an audit is scheduled or in progress for a period reasonably necessary to complete an audit and/or to complete any administrative and judicial litigation which may ensue.

21. CONTRACT TERMINATION. Any of the following events shall constitute cause for WSCA to declare Contractor in default of the contract: (1) nonperformance of contractual requirements; and/or (2) a material breach of any term or condition of this contract. WSCA shall issue a written notice of default providing a period in which Contractor shall have an opportunity to cure. Time allowed for cure shall not diminish or eliminate Contractor's liability for liquidated or other damages. If the default remains, after Contractor has been provided the opportunity to cure, WSCA may do one or more of the following: (1) exercise any remedy provided by law; (2) terminate this contract and any related contracts or portions thereof; (3) impose liquidated damages; and/or (4) suspend Contractor from receiving future bid solicitations.

Winding Up Affairs Upon Termination. In the event of termination of this contract for any reason, the parties agree that the provisions of this paragraph survive termination:

i. The parties shall account for and properly present to each other all claims for fees and expenses and pay those which are undisputed and otherwise not subject to set off under this contract. Neither party may withhold performance of winding up provisions solely based on nonpayment of fees or expenses accrued up to the time of termination;

ii. Contractor shall satisfactorily complete work in progress at the agreed rate (or a pro rata basis if necessary) if so requested by WSCA;

iii. Contractor shall execute any documents and take any actions necessary to effectuate an assignment of this contract if so requested by WSCA;

iv. Contractor shall preserve, protect and promptly deliver into WSCA's possession all proprietary information in accordance with paragraph (31).

22. REMEDIES. Except as otherwise provided for by law or this contract, the rights and remedies of the parties shall not be exclusive and are in addition to any other rights and remedies provided by law or equity, including, without limitation, actual damages, and to a prevailing party reasonable attorneys' fees and costs. It is specifically agreed that reasonable attorneys' fees shall include without limitation \$125 per hour for attorneys employed by the Lead State. Nevada may set off consideration against any unpaid obligation of Contractor to any State agency in accordance with NRS 353C.190.

23. LIMITED LIABILITY. Nevada will not waive and intends to assert available NRS chapter 41 liability limitations in all cases. Contract liability of both parties shall not be subject to punitive damages. Liquidated damages shall not apply unless otherwise specified in the incorporated attachments. Damages for any breach by the Lead State shall never exceed the amount of funds appropriated for payment under this contract, but not yet paid to Contractor, for the fiscal year budget in existence at the time of the breach. Damages for any Contractor breach shall not exceed 150% of the contract maximum "not to exceed" value. Contractor's tort liability shall not be limited.

24. FORCE MAJEURE. Neither party to this contract shall be deemed to be in violation of this contract if it is prevented from performing any of its obligations hereunder due to strikes, failure of public transportation, civil or military authority, act of public enemy, accidents, fires, explosions, or acts of God, including, without limitation, earthquakes, floods, winds, or storms. In such an event the intervening cause must not be through the fault of the party asserting such an excuse, and the excused party is obligated to promptly perform in accordance with the terms of the contract after the intervening cause ceases. WSCA may terminate this contract after determining such delay or default will reasonably prevent successful performance of the contract.

25. INDEMNIFICATION. To the fullest extent permitted by law, Contractor shall indemnify, hold harmless and defend, not excluding the State's right to participate, Nevada from and against all liability, claims, actions, damages, losses, and expenses, including, without limitation, reasonable attorneys' fees and costs, arising out of any alleged negligent or willful acts or omissions of Contractor, its officers, employees and agents. The Contractor shall release, protect, indemnify and hold WSCA and the respective states and their officers, agencies, employees, harmless from and against any damage, cost or liability,

including reasonable attorney's fees for any or all injuries to persons, property or claims for money damages arising from acts or omissions of the contractor, his employees or subcontractors or volunteers.

26. **INSURANCE SCHEDULE.** Unless expressly waived in writing by the State, Contractor, as an independent contractor and not an employee of the State, must carry policies of insurance and pay all taxes and fees incident hereunto. Policies shall meet the terms and conditions as specified within this Contract along with the additional limits and provisions as described in Attachment BB, incorporated hereto by attachment. The State shall have no liability except as specifically provided in the Contract.

The Contractor shall not commence work before:

- 1) Contractor has provided the required evidence of insurance to the Contracting Agency of the State, and
- 2) The State has approved the insurance policies provided by the Contractor.

Prior approval of the insurance policies by the State shall be a condition precedent to any payment of consideration under this Contract and the State's approval of any changes to insurance coverage during the course of performance shall constitute an ongoing condition subsequent this Contract. Any failure of the State to timely approve shall not constitute a waiver of the condition.

Insurance Coverage: The Contractor shall, at the Contractor's sole expense, procure, maintain and keep in force for the duration of the Contract insurance conforming to the minimum limits as specified in Attachment BB, incorporated hereto by attachment. Unless specifically stated herein or otherwise agreed to by the State, the required insurance shall be in effect prior to the commencement of work by the Contractor and shall continue in force as appropriate until:

1. Final acceptance by the State of the completion of this Contract; or
 2. Such time as the insurance is no longer required by the State under the terms of this Contract;
- Whichever occurs later.

Any insurance or self-insurance available to the State shall be in excess of, and non-contributing with, any insurance required from Contractor. Contractor's insurance policies shall apply on a primary basis. Until such time as the insurance is no longer required by the State, Contractor shall provide the State with renewal or replacement evidence of insurance no less than thirty (30) days before the expiration or replacement of the required insurance. If at any time during the period when insurance is required by the Contract, an insurer or surety shall fail to comply with the requirements of this Contract, as soon as Contractor has knowledge of any such failure, Contractor shall immediately notify the State and immediately replace such insurance or bond with an insurer meeting the requirements.

General Requirements:

- a. **Additional Insured:** By endorsement to the general liability insurance policy evidenced by Contractor, the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 shall be named as additional insureds for all liability arising from the Contract.
- b. **Waiver of Subrogation:** Each insurance policy shall provide for a waiver of subrogation against the State of Nevada, its officers, employees and immune contractors as defined in NRS 41.0307 for losses arising from work/materials/equipment performed or provided by or on behalf of the Contractor.
- c. **Cross-Liability:** All required liability policies shall provide cross-liability coverage as would be achieved under the standard ISO separation of insureds clause.
- d. **Deductibles and Self-Insured Retentions:** Insurance maintained by Contractor shall apply on a first dollar basis without application of a deductible or self-insured retention unless otherwise specifically agreed to by the State. Such approval shall not relieve Contractor from the obligation to pay any deductible or self-insured retention. Any deductible or self-insured retention shall not exceed fifty thousand dollars (\$50,000.00) per occurrence, unless otherwise approved by the Risk Management Division.
- e. **Policy Cancellation:** Except for ten (10) days notice for non-payment of premium, each insurance policy shall be endorsed to state that without thirty (30) days prior written notice to the State of Nevada, c/o Contracting Agency, the policy shall not be canceled, non-renewed or coverage and /or limits reduced or materially altered, and shall provide that notices required by this paragraph shall be sent by certified mailed to the address shown on page one (1) of this contract:
- f. **Approved Insurer:** Each insurance policy shall be:
 - 1) Issued by insurance companies authorized to do business in the State of Nevada or eligible surplus lines insurers acceptable to the State and having agents in Nevada upon whom service of process may be made; and
 - 2) Currently rated by A.M. Best as "A-VII" or better.

Evidence of Insurance:

Prior to the start of any Work, Contractor must provide the following documents to the Lead State:

- 1) **Certificate of Insurance:** The Acord 25 Certificate of Insurance form or a form substantially similar must be submitted to the State to evidence the insurance policies and coverages required of Contractor.

2) Schedule of Underlying Insurance Policies: If Umbrella or Excess policy is evidenced to comply with minimum limits, a copy of the Underlyer Schedule from the Umbrella or Excess insurance policy may be required.

Review and Approval: Documents specified above must be submitted for review and approval by the Lead State prior to the commencement of work by Contractor. Neither approval by the Lead State nor failure to disapprove the insurance furnished by Contractor shall relieve Contractor of Contractor's full responsibility to provide the insurance required by this contract. Compliance with the insurance requirements of this contract shall not limit the liability of Contractor or its subcontractors, employees or agents to the Lead State or others, and shall be in addition to and not in lieu of any other remedy available to the Lead State or Participating States under this contract or otherwise. The Lead State reserves the right to request and review a copy of any required insurance policy or endorsement to assure compliance with these requirements.

Mail all required insurance documents to the Lead State identified on page one of the contract.

27. COMPLIANCE WITH LEGAL OBLIGATIONS. Any and all supplies, services and equipment bid and furnished shall comply fully with all applicable Federal and State laws and regulations. Contractor shall procure and maintain for the duration of this contract any state, county, city or federal license, authorization, waiver, permit, qualification or certification required by statute, ordinance, law, or regulation to be held by Contractor to provide the goods or services required by this contract. The Lead State may set-off against consideration due any delinquent government obligation in accordance with NRS 353C.190.

28. WAIVER OF BREACH. Failure to declare a breach or the actual waiver of any particular breach of the contract or its material or nonmaterial terms by either party shall not operate as a waiver by such party of any of its rights or remedies as to any other breach.

29. SEVERABILITY. If any provision of this contract is declared by a court to be illegal or in conflict with any law, the validity of the remaining terms and provisions shall not be affected; and the rights and obligations of the parties shall be construed and enforced as if the contract did not contain the particular provision held to be invalid.

30. ASSIGNMENT/DELEGATION. To the extent that any assignment of any right under this contract changes the duty of either party, increases the burden or risk involved, impairs the chances of obtaining the performance of this contract, attempts to operate as a novation, or includes a waiver or abrogation of any defense to payment by State, such offending portion of the assignment shall be void, and shall be a breach of this contract. Contractor shall not assign, sell, transfer, subcontract or sublet rights, or delegate responsibilities under this contract, in whole or in part, without the prior written approval of the WSCA Contract Manager.

31. OWNERSHIP OF PROPRIETARY INFORMATION. Any reports, histories, studies, tests, manuals, instructions, photographs, negatives, blue prints, plans, maps, data, system designs, computer code (which is intended to be consideration under the contract), or any other documents or drawings, prepared or in the course of preparation by Contractor (or its subcontractors) in performance of its obligations under this contract shall be the exclusive property of WSCA and all such materials shall be delivered into WSCA possession by Contractor upon completion, termination, or cancellation of this contract. Contractor shall not use, willingly allow, or cause to have such materials used for any purpose other than performance of Contractor's obligations under this contract without the prior written consent of WSCA. Notwithstanding the foregoing, WSCA shall have no proprietary interest in any materials licensed for use that are subject to patent, trademark or copyright protection.

32. PATENTS, COPYRIGHTS, ETC. The Contractor shall release, indemnify and hold WSCA, the State, and Participating States and their officers, agents and employees harmless from liability of any kind or nature, including the Contractor's use of any copyrighted or un-copyrighted composition, secret process, patented or unpatented invention, article or appliance furnished or used in the performance of this contract.

33. PUBLIC RECORDS. Pursuant to NRS 239.010, information or documents received from Contractor may be open to public inspection and copying. The State will have the duty to disclose unless a particular record is made confidential by law or a common law balancing of interests. Contractor may label specific parts of an individual document as a "trade secret" or "confidential" in accordance with NRS 333.333, provided that Contractor thereby agrees to indemnify and defend the State for honoring such a designation. The failure to so label any document that is released by the State shall constitute a complete waiver of any and all claims for damages caused by any release of the records.

34. CONFIDENTIALITY. Contractor shall keep confidential all information, in whatever form, produced, prepared, observed or received by Contractor to the extent that such information is confidential by law or otherwise required by this contract.

35. NONDISCRIMINATION. Contractor agrees to abide by the provisions of Title VI and Title VII of the Civil Rights Act of 1964 (42 USC 2000e), which prohibit discrimination against any employee or applicant for employment, or any applicant or recipient of services, on the basis of race, religion, color, or national origin; and further agrees to abide by Executive Order No. 11246, as amended, which prohibits discrimination on basis of sex; 45 CFR 90 which prohibits discrimination on the basis of age, and Section 504 of the Rehabilitation Act of 1973, or the Americans with Disabilities Act of 1990 which prohibits discrimination on the basis of disabilities. Contractor further agrees to furnish information and reports to requesting Participating Entities, upon request, for the purpose of determining compliance with these statutes. Contractor agrees to comply with each individual Participating State's certification requirements, if any, as stated in the special terms and conditions. This contract may be canceled if the Contractor fails to comply with the provisions of these laws and regulations. Contractor must include this provision in every subcontract relating to purchases by the States to insure that subcontractors and vendors are bound by this provision.

36. FEDERAL FUNDING. In the event federal funds are used for payment of all or part of this contract:

a. Contractor certifies, by signing this contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any federal department or agency. This certification is made pursuant to the regulations implementing Executive Order 12549, Debarment and Suspension, 28 C.F.R. pt. 67, § 67.510, as published as pt. VII of the May 26, 1988, Federal Register (pp. 19160-19211), and any relevant program-specific regulations. This provision shall be required of every subcontractor receiving any payment in whole or in part from federal funds.

b. Contractor and its subcontractors shall comply with all terms, conditions, and requirements of the Americans with Disabilities Act of 1990 (P.L. 101-136), 42 U.S.C. 12101, as amended, and regulations adopted thereunder contained in 28 C.F.R. 26.101-36.999, inclusive, and any relevant program-specific regulations.

c. Contractor and its subcontractors shall comply with the requirements of the Civil Rights Act of 1964, as amended, the Rehabilitation Act of 1973, P.L. 93-112, as amended, and any relevant program-specific regulations, and shall not discriminate against any employee or offeror for employment because of race, national origin, creed, color, sex, religion, age, disability or handicap condition (including AIDS and AIDS-related conditions.)

37. LOBBYING. The parties agree, whether expressly prohibited by federal law, or otherwise, that no funding associated with this contract will be used for any purpose associated with or related to lobbying or influencing or attempting to lobby or influence for any purpose the following:

a. Any federal, state, county or local agency, legislature, commission, counsel or board;

b. Any federal, state, county or local legislator, commission member, counsel member, board member, or other elected official; or

c. Any officer or employee of any federal, state, county or local agency; legislature, commission, counsel or board.

38. NON-COLLUSION. Contractor certifies that this contract and the underlying bid, have been arrived at independently and have been without collusion with, and without any agreement, understanding or planned common course of action with, any other vendor of materials, supplies, equipment or services described in the invitation to bid, designed to limit independent bidding or competition.

39. WARRANTIES.

a. Uniform Commercial Code. The Contractor acknowledges that the Uniform Commercial Code applies to this contract. In general, the contractor warrants that: (a) the product will do what the salesperson said it would do, (b) the product will live up to all specific claims that the manufacturer makes in their advertisements, (c) the product will be suitable for the ordinary purposes for which such product is used, (d) the product will be suitable for any special purposes that the Buyer has relied on the Contractor's skill or judgment to consider.

b. General Warranty. Contractor warrants that all services, deliverables, and/or work product under this contract shall be completed in a workmanlike manner consistent with standards in the trade, profession, or industry; shall conform to or exceed the specifications set forth in the incorporated attachments; and shall be fit for ordinary use, of good quality, with no material defects.

c. System Compliance. Contractor warrants that any information system application(s) shall not experience abnormally ending and/or invalid and/or incorrect results from the application(s) in the operating and testing of the business of the State. This warranty includes, without limitation, century recognition, calculations that accommodate same century and multcentury formulas and data values and date data interface values that reflect the century.

40. CONFLICT OF INTEREST. Contractor certifies that it has not offered or given any gift or compensation prohibited by the state laws of any WSCA participants to any officer or employee of WSCA or participating states to secure favorable treatment with respect to being awarded this contract.

41. INDEPENDENT CONTRACTOR. Contractor shall be an independent contractor, and as such shall have no authorization, express or implied to bind WSCA or the respective states to any agreements, settlements, liability or understanding whatsoever, and agrees not to perform any acts as agent for WSCA or the states, except as expressly set forth herein.

42. POLITICAL SUBDIVISION PARTICIPATION. Participation under this contract by political subdivisions (i.e., colleges, school districts, counties, cities, etc.) of the WSCA Participating States shall be voluntarily determined by the political subdivision. The Contractor agrees to supply the political subdivisions based upon the same terms, conditions and prices.

43. PROPER AUTHORITY. The parties hereto represent and warrant that the person executing this contract on behalf of each party has full power and authority to enter into this contract. Contractor acknowledges that as required by statute or regulation this contract is effective only after approval by the WSCA Board of Directors and only for the period of time specified in the contract. Any services performed by Contractor before this contract is effective or after it ceases to be effective are performed at the sole risk of Contractor. The Contractor certifies that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction (contract) by any governmental department or agency.

44. GOVERNING LAW; JURISDICTION. This contract and the rights and obligations of the parties hereto shall be governed and construed in accordance with the laws of the state of Nevada, without giving effect to any principle of conflict-of-law that would require the application of the law of any other jurisdiction. The parties consent to the exclusive jurisdiction of the First Judicial District Court, Carson City, Nevada for enforcement of this contract. The construction and effect of any Participating

Addendum or order against the contract(s) shall be governed by and construed in accordance with the laws of the Participating State. Venue for any claim, dispute or action concerning an order placed against the contract(s) or the effect of a Participating Addendum or shall be in the Purchasing State.

45. SIGNATURES IN COUNTERPART. Contract may be signed in any number of counterparts, each of which shall be an original, but all of which together shall constitute one in the same instrument.

46. ENTIRE CONTRACT AND MODIFICATION. This contract and its integrated attachment(s) constitute the entire agreement of the parties and such are intended as a complete and exclusive statement of the promises, representations, negotiations, discussions, and other agreements that may have been made in connection with the subject matter hereof. Unless an integrated attachment to this contract specifically displays a mutual intent to amend a particular part of this contract, general conflicts in language between any such attachment and this contract shall be construed consistent with the terms of this contract. The terms of this contract shall not be waived, altered, modified, supplemented or amended in any manner whatsoever without prior written approval of the WSCA Contract Manager.

IN WITNESS WHEREOF, the parties hereto have caused this contract to be signed and intend to be legally bound thereby.

Independent Contractor's Signature

Date Independent's Contractor's Title

Signature

Date Title

Greg Smith, Administrator, State of Nevada

APPROVED BY WSCA BOARD OF DIRECTORS

On _____
(Date)

Approved as to form by:

Deputy Attorney General for Attorney General

On _____
(Date)

**ATTACHMENT BB
INSURANCE SCHEDULE**

INDEMNIFICATION CLAUSE:

Contractor shall indemnify, hold harmless and, not excluding the State's right to participate, defend the State, its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against all liabilities, claims, actions, damages, losses, and expenses including without limitation reasonable attorneys' fees and costs, (hereinafter referred to collectively as "claims") for bodily injury or personal injury including death, or loss or damage to tangible or intangible property caused, or alleged to be caused, in whole or in part, by the negligent or willful acts or omissions of Contractor or any of its owners, officers, directors, agents, employees or subcontractors. This indemnity includes any claim or amount arising out of or recovered under the Workers' Compensation Law or arising out of the failure of such contractor to conform to any federal, state or local law, statute, ordinance, rule, regulation or court decree. It is the specific intention of the parties that the Indemnitee shall, in all instances, except for claims arising solely from the negligent or willful acts or omissions of the Indemnitee, be indemnified by Contractor from and against any and all claims. It is agreed that Contractor will be responsible for primary loss investigation, defense and judgment costs where this indemnification is applicable. In consideration of the award of this contract, the Contractor agrees to waive all rights of subrogation against the State, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State.

INSURANCE REQUIREMENTS:

Contractor and subcontractors shall procure and maintain until all of their obligations have been discharged, including any warranty periods under this Contract are satisfied, insurance against claims for injury to persons or damage to property which may arise from or in connection with the performance of the work hereunder by the Contractor, his agents, representatives, employees or subcontractors.

The insurance requirements herein are minimum requirements for this Contract and in no way limit the indemnity covenants contained in this Contract. The State in no way warrants that the minimum limits contained herein are sufficient to protect the Contractor from liabilities that might arise out of the performance of the work under this contract by the Contractor, his agents, representatives, employees or subcontractors and Contractor is free to purchase additional insurance as may be determined necessary.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below. An excess liability policy or umbrella liability policy may be used to meet the minimum liability requirements provided that the coverage is written on a "following form" basis.

1. **Commercial General Liability – Occurrence Form**

Policy shall include bodily injury, property damage and broad form contractual liability coverage.

- General Aggregate \$2,000,000
- Products – Completed Operations Aggregate \$1,000,000
- Personal and Advertising Injury \$1,000,000
- Each Occurrence \$1,000,000

a. The policy shall be endorsed to include the following additional insured language: "The State of Nevada shall be named as an additional insured with respect to liability arising out of the activities performed by, or on behalf of the Contractor".

2. **Worker's Compensation and Employers' Liability**

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$100,000
Disease – Each Employee	\$100,000
Disease – Policy Limit	\$500,000

- a. Policy shall contain a waiver of subrogation against the State of Nevada.
- b. This requirement shall not apply when a contractor or subcontractor is exempt under N.R.S., **AND** when such contractor or subcontractor executes the appropriate sole proprietor waiver form.

3. **Fidelity Bond or Crime Insurance**

Bond or Policy Limit \$ _____

NOTE: A FIDELITY BOND MAY BE NEGOTIATED AT THE DISCRETION OF EACH PARTICIPATING STATE.

- a. The bond or policy shall be issued with limits based on the amount of cash being handled by the Contractor.
- b. The bond or policy shall include coverage for all directors, officers, agents and employees of the Contractor.
- c. The bond or policy shall include coverage for third party fidelity and name the State of Nevada as loss payee.
- d. The bond or policy shall include coverage for extended theft and mysterious disappearance.
- e. The bond or policy shall not contain a condition requiring an arrest and conviction.

B. ADDITIONAL INSURANCE REQUIREMENTS: The policies shall include, or be endorsed to include, the following provisions:

1. On insurance policies where the State of Nevada is named as an additional insured, the State of Nevada shall be an additional insured to the full limits of liability purchased by the Contractor even if those limits of liability are in excess of those required by this Contract.
2. The Contractor's insurance coverage shall be primary insurance and non-contributory with respect to all other available sources.

C. NOTICE OF CANCELLATION: Each insurance policy required by the insurance provisions of this Contract shall provide the required coverage and shall not be suspended, voided or canceled except after thirty (30) days prior written notice has been given to the State, except when cancellation is for non-payment of premium, then ten (10) days prior notice may be given. Such notice shall be sent directly to **Mail all required insurance documents to the Lead State (Nevada).**

D. ACCEPTABILITY OF INSURERS: Insurance is to be placed with insurers duly licensed or authorized to do business in the state of Nevada and with an "A.M. Best" rating of not less than A- VII. The State in no way warrants that the above-required minimum insurer rating is sufficient to protect the Contractor from potential insurer insolvency.

E. VERIFICATION OF COVERAGE: Contractor shall furnish the State with certificates of insurance (ACORD form or equivalent approved by the State) as required by this Contract. The certificates for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf.

All certificates and any required endorsements are to be received and approved by the State before work commences. Each insurance policy required by this Contract must be in effect at or prior to commencement of work under this Contract and remain in effect for the duration of the project. Failure to maintain the insurance policies as required by this Contract or to provide evidence of renewal is a material breach of contract.

All certificates required by this Contract shall be sent directly to **Mail all required insurance documents to the Lead State (Nevada).** The State project/contract number and project description shall be noted on the certificate of insurance. The State reserves the right to require complete, certified copies of all insurance policies required by this Contract at any time.

F. SUBCONTRACTORS: Contractors' certificate(s) shall include all subcontractors as additional insureds under its policies or Contractor shall furnish to the State separate certificates and endorsements for each subcontractor. All coverages for subcontractors shall be subject to the minimum requirements identified above.

G. APPROVAL: Any modification or variation from the insurance requirements in this Contract shall be made by the Attorney General's Office or the Risk Manager, whose decision shall be final. Such action will not require a formal Contract amendment, but may be made by administrative action.

Mail all required insurance documents to the Lead State (Nevada).

IN WITNESS WHEREOF, the parties hereto have caused this Contract to be signed and intend to be legally bound thereby.

Independent Contractor's Signature

Date

Independent's Contractor's Title

Signature- State of Nevada

Date

Title

Attachment BB Page 3 of 3

RMIns rev 03/08

Attachment D

REFERENCE QUESTIONNAIRE

The State of Nevada, as a part of the RFP process, requires proposing vendors to submit business references as required within this document. The purpose of these references is to document the experience relevant to the scope of work and provide assistance in the evaluation process.

The proposing vendor is required to complete Part A and send the following reference form to each business reference listed for completion of Part B. The business reference, in turn, is requested to submit the Reference Form directly to the State of Nevada, Purchasing Division by the requested deadline for inclusion in the evaluation process. The business reference may be contacted for validation of the response.



RFP # 1901 REFERENCE QUESTIONNAIRE FOR:

Part A:

(Name of company requesting reference)

Part B:

This form is being submitted to your company for completion as a business reference for the company listed above. This form is to be returned to the State of Nevada, Purchasing Division, via e-mail at srvpurch@purchasing.state.nv.us Attn: Keli Hardcastle or facsimile at (775) 684-0188, Attn: Keli Hardcastle no later than **April 29, 2011**, and **must not** be returned to the company requesting the reference. When contacting us, please be sure to include the Request for Proposal number listed at the top of this page.

CONFIDENTIAL INFORMATION WHEN COMPLETED

Company providing reference:	
Contact name and title/position	
Contact telephone number	
Contact e-mail address	

QUESTIONS:

1. Has the Vendor provided you with copiers in the past 3 years and how would you rate their overall performance?
____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable / No Service in last 3 years)
COMMENTS:

2. In general, what services has the vendor provided for you?
COMMENTS:

3. How would you rate the completeness and accuracy of the data and reports provided by the vendor?
____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

3. How would you rate the vendor's flexibility relative to changes in the project scope and timelines?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

4. How would you rate the dynamics/interaction between the vendor and your staff?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

5. How would you rate the timely and proactive nature of the vendor in providing service?
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

6. How would you rate the vendor's ability and attention to detail during pre and post implementation:
_____ (3 = Excellent; 2 = Satisfactory; 1 = Unsatisfactory; 0 = Unacceptable)
COMMENTS:

8. With which aspect(s) of this vendor's services are you most satisfied?
COMMENTS:

9. With which aspect(s) of this vendor's services are you least satisfied?
COMMENTS:

10. Would you recommend this vendor's services to your organization again?
COMMENTS:

Attachment E
SAMPLE SCORE SHEET

**The State of Nevada Purchasing Division
on behalf of National Association of State Procurement Officials (NASPO)
and the Multi-State Corrections Procurement Alliance (MCPA)**

RFP 1901

INMATE KIOSKS

Proposal Opening Date: May 5, 2011 @ 2:00 p.m.

VENDOR NAME:	
-------------------------	--

Evaluator Initials:	
--------------------------------	--

After reading vendor proposals, assign a score for each criterion between 1 and 10, with 1=Poor and 10=Excellent. The Revised Score column should be left blank until the scheduled evaluation meeting. Make sure to write vendors name, initial each page of the score sheets and write all the strengths and weaknesses on the last two pages of this document.

<i>Item #1</i>		Weight	Score	Revised Score
	<i>Demonstrated Competence</i>			

Demonstrated Competence:

- Did the vendor provide sufficient data to convince you that they will do a good job for the State?
- Was the proof compelling?
- Are you confident that this vendor has the knowledge, skills and abilities to perform all its tasks well?
- Will the vendor's resources be adequate to serve the State's needs?
- Does the vendor suggest new ways to enhance performance?
- Does the vendor have the flexible capacity to handle all the needs of the State as they continue to change?
- Did the vendor present sufficient performance history to convince you of their ability?
- Has the vendor been in business long enough to provide good stability?
- Has the vendor experienced ownership changes that would impact their services?
- Has there been any censure or litigation history?

<i>Item #2</i>		Weight	Score	Revised Score
	<i>Experience in Performance of Comparable Engagements</i>			

Experience in Performance of Comparable Engagements:

- Does the vendor have prior experience that will ensure all the skills necessary to perform tasks well?
- Did the vendor have success in other work for a private or governmental entity?
- Does the vendor's previous work convince you of its successful completion of these duties?
- Has the vendor provided adequate references?

<i>Item #3</i>		Weight	Score	Revised Score
	<i>Conformance with Terms of this Request for Proposal</i>			

Conformance with the Terms of this RFP:

Did the vendor's proposal provide all the necessary information requested in the RFP in a professional manner?
 Did the proposal cause doubt regarding its ability to complete the necessary tasks?
 Was the proposal easy to understand and did it provide answers to questions, or create more questions?

<i>Item #4</i>	Description	Weight	Score	Revised Score
	<i>Expertise and Availability of Key Personnel</i>			

Expertise and Availability of Key Personnel:

Is the staff that will be assigned to this project by the vendor the best qualified to complete the tasks?
 Will they be available to insure completion of the project?
 Will they be available for follow-up issues?
 Is sufficient staff assigned to handle these duties?
 Is there a Nevada office or contact person?
 Will assigned staff respond to issues within a reasonable amount of time?

<i>Item #5</i>	Description	Weight	Score	Revised Score
	<i>Cost</i>			

Cost:

Cost will be evaluated based on the vendor's response to Section 7, Project Costs.

Attachment F

RFP TERMS AND CONDITIONS FOR GOODS

1. **EXPRESS WARRANTIES.** For the period specified on the face of the Contract, Contractor warrants and represents each of the following with respect to any goods provided under the Contract, except as otherwise provided on incorporated attachments:
 - a. **Fitness for Particular Purpose.** The goods shall be fit and sufficient for the particular purpose set forth in the RFP or other solicitation documents.
 - b. **Fitness for Ordinary Use.** The goods shall be fit for the purpose for which goods of a like nature are ordinarily intended, it being understood that the purpose for the goods covered by the Contract are ordinarily intended is general government administration and operations.
 - c. **Merchantable, Good Quality, No Defects.** The goods shall be merchantable, of good quality, and free from defects, whether patent or latent, in material and workmanship.
 - d. **Conformity.** The goods shall conform to the standards, specifications and descriptions set forth in the incorporated attachments. If Contractor has supplied a sample to the State, the goods delivered shall conform in all respects to the sample and if the sample should remain in the State's possession it shall be identified by the word "sample" and the signature of Contractor's sales representative.
 - e. **Uniformity.** The goods shall be without variation, and shall be of uniform kind, quality, and quantity within each unit and among all units.
 - f. **Packaging and Labels.** The goods shall be contained, packaged, and labeled so as to satisfy all legal and commercial requirements applicable to use by a government agency, including without limitation, OSHA material safety data sheets and shall conform to all statements made on the label.
 - g. **Full Warranty.** The foregoing warranties are "full" warranties within the meaning of the Magnuson-Moss Warranty -- Federal Trade Commission Improvement Act, 15 U.S.C. § 2301 *et seq.*, and implementing regulations 16 C.F.R. pts. 700-703, if applicable to this transaction.
 - h. **Title.** Contractor has exclusive title to the goods and shall deliver the goods to the State free and clear of all liens, encumbrances, and security interests. If the Contract causes title to vest in the State, the State hereby grants a security interest in the goods to Contractor under the terms set forth in the Contract.
2. **COMPUTER WARRANTIES.** If the goods include computer software and/or hardware, the following warranties shall apply in addition to the express warranties set forth above.
 - a. **Software Warranty.** Contractor/licensor warrants that for the period specified in the incorporated attachments:
 - (1) Under normal use and service, the media on which the licensed software is delivered shall be free from defects in material and workmanship. If the licensed product fails to meet the media warranty, and the State as licensee gives licensor written notice thereof during the applicable warranty period, licensor shall replace such media.
 - (2) The licensed product will meet licensor's published specifications therefore in effect on the effective date of the Contract. If the licensed product fails to meet the warranty and licensee gives licensor written notice thereof, licensor shall correct the failure, provided that licensee gives licensor detailed information regarding such failure. However, licensor shall not be liable to licensee for the warranty provided herein if (1) unanticipated or unauthorized modifications are made to the licensed product by someone other than licensor, or (2) the media for the licensed product is subject to misuse or abuse.
 - b. **Hardware Warranty.** Contractor warrants that, under normal use and service, the computer hardware and spare parts purchased from Contractor shall be free from defects in material and workmanship, and the computer hardware will meet the Contractor's then current published specifications therefore. If hardware warranted hereunder fails to meet the warranties herein and the State gives Contractor written notice thereof during the applicable warranty period, Contractor's sole obligation shall be to correct the failure by repair, replacement, or adjustment, as determined in Contractor's sole discretion. However, Contractor shall not be liable hereunder if:
 - (1) unanticipated or unauthorized modifications are made to the computer hardware by someone other than Contractor;
 - (2) attachments, features or devices are employed on the computer hardware that are not supplied by Contractor or not approved in writing by Contractor, including, without limitation, other components of the State's systems; or
 - (3) the computer hardware is subject to abuse or misuse.
3. **INFRINGEMENT; INDEMNITY.** Contractor warrants the purchase or use of the goods shall not infringe upon any United States or foreign patent, and Contractor shall indemnify the State against all judgments, decrees, costs, and expenses resulting from any alleged infringement and shall defend, upon written request of the State, at its own expense, any action which may be brought against the State, its vendees, lessees, licensees, or assigns, under any claim of patent infringement in the purchase or use of Contractor's goods. If the State is enjoined from using such goods, Contractor shall repurchase such goods from the State at the original purchase price. The State shall notify Contractor promptly in writing of any such suit. If the State compromises or settles any such suit without the written consent of Contractor, Contractor shall be released from the obligations of this paragraph and from any liability to the State under any statute or other rule of law.

4. USAGE OF TRADE; COURSE OF DEALINGS; IMPLIED WARRANTIES. Contractor shall also be bound by any other implied warranty that, at the time of execution of the Contract, prevails in the trade of government in the marketing area in and about the State of Nevada. Contractor shall also be bound by any other implied warranty arising through course of dealings between Contractor and the State from and after the execution of the Contract. Contractor shall also be bound by all warranties set forth in Nevada's Uniform Commercial Code (NRS Title 8) in effect on the date of execution of the Contract.
5. WARRANTIES CUMULATIVE. It is understood that warranties created by the Contract, whether express or implied, as well as all warranties arising by operation of law that affect the rights of the parties under the Contract, are cumulative and should be construed in a manner consistent with one another.
6. PRIORITY OF WARRANTIES. If it is held by a court of competent jurisdiction that there is an irreconcilable conflict between or among any of the warranties set forth in the Contract and any warranties implied by law, the parties agree that the specifications contained in the Contract shall be deemed technical and mere language of description.
7. BENEFICIARIES OF WARRANTIES. Benefit of any warranty made in the Contract shall be in favor of the State, any of its political subdivisions or agencies, and any employee or licensee thereof who uses the goods, and the benefit of any warranty shall apply to both personal injury and property damage.
8. DELIVERY, INSPECTION, ACCEPTANCE, RISK OF LOSS. Contractor agrees to deliver the goods as indicated in the Contract, and upon acceptance by the State, title to the goods shall pass to the State unless otherwise stated in the Contract. The State shall have the right to inspect the goods on arrival and, within a commercially reasonable time, the State must give notice to Contractor of any claim or damages on account of condition, quality, or grade of the goods, and the State must specify the basis of the claim in detail. Acceptance of the goods is not a waiver of UCC revocation of acceptance rights or of any right of action that the State may have for breach of warranty or any other cause. Unless otherwise stated in the Contract, risk of loss from any casualty, regardless of the cause, shall be on Contractor until the goods have been accepted and title has passed to the State. If given any, the State agrees to follow reasonable instructions regarding return of the goods.
9. NO ARRIVAL, NO SALE. The Contract is subject to provisions of no arrival, no sale terms, but proof of shipment is to be given by Vendor, each shipment to constitute a separate delivery. A variation of ten days in time of shipment or delivery from that specified herein does not constitute a ground for rejection. The State may treat any deterioration of the goods as entitling the State to the rights resulting from a casualty to the identified goods without regard to whether there has been sufficient deterioration so that the goods no longer conform to the Contract.
10. PRICE; TAXES; PAYMENT. The price quoted is for the specified delivery, and, unless otherwise specified in the Contract, is F.O.B. to the delivery address specified above. Unless otherwise specified in the Contract, the price does not include applicable federal or State sales, use, excise, processing or any similar taxes, or duty charges, which shall be paid by the State, or in lieu thereof, the State shall provide Vendor with a tax exemption certificate acceptable to the applicable taxing authority. Unless otherwise specified in the Contract, payment shall be made by warrant drawn on the State of Nevada (in accordance with Nevada law) and mailed to Vendor at the address specified above (or to assignee if assignment is acknowledged by the State) within the time specified above.
11. GOVERNING LAW. The laws of Nevada, including, without limitation, Nevada's Uniform Commercial Code (NRS Title 8) in effect on the date of execution of the Contract, shall govern with respect to any goods provided under the Contract.

Attachment G

PARTICIPATING STATE(S) TERMS AND CONDITIONS

Apart from the Lead State conducting the solicitation, the states listed below have signified their intent to enter into a contract and participate with the State of Nevada for this Request for Proposal. These States are considered Participating States for the purposes of this solicitation and its resulting contracts(s). This Attachment includes state-specific provisions required by law, regulation or procurement practices of the identified states.

Additional states may be added with the consent of the contractor and Lead State through execution of a Participating Addendum.

Specific Terms and Conditions related to each State may be attached below. All States reserve the right to add any State specific terms and conditions to any resultant participating addendums signed in response to award(s) based from this procurement.

MCPA States:

- Arkansas
- District of Columbia
- Georgia
- Iowa
- Kentucky
- Minnesota
- Missouri
- Nevada
- New Mexico
- Oklahoma
- Rhode Island
- South Dakota
- Virginia
- Wyoming

Other potential States:

- Alaska
- Arizona
- Colorado
- Hawaii
- Idaho
- Montana
- Nebraska
- North Dakota
- Ohio
- Utah
- Vermont
- Wisconsin

**STATES INTENDING TO PARTICIPATE THAT HAVE PROVIDED UNIQUE
TERMS AND CONDITIONS**

Ohio



Ohio standard terms
and conditions.pdf

Virginia



Virginia Terms and
Conditions.pdf

Attachment H
Sample Participating Addendum

PARTICIPATING ADDENDUM [hereinafter "Addendum"]
to the
State of Nevada
INMATE KIOSKS
Nevada Master Price Agreement RFP Number 1901
issued on behalf of
Multi-State Corrections Procurement Alliance (MCPA)
of the
National Association of State Procurement Officials (NASPO)

Between
XXXXXXXXXXXXXXXXXXXX
[hereinafter "Contractor"]
and
(Participating State)
[hereinafter "Participating State"]
(Participating State Contract Number)

The Multi-State Corrections Procurement Alliance (MCPA) establishes a means by which participating state procurement and correctional authorities may join together in cooperative multi-state contracting for the support of state correctional agencies, recognizing the unique requirements of correctional facilities, institutions and services.

1. **Scope:** This Addendum covers the MCPA Inmate Kiosks Contract lead by the State of Nevada for use by state correctional agencies and other entities located in the Participating State authorized by that state's statutes to utilize state contracts.

or

This Addendum covers the MCPA Inmate Kiosks Contract lead by the State of Nevada for use by (briefly describe the jurisdiction of the governmental entity). This entity has been authorized by the State Chief Procurement Official of the state within which it is located to use the MCPA Inmate Kiosks Contract.

2. **Participation:** Use of this MCPA Inmate Kiosks cooperative contract by state correctional agencies, correctional agencies of political subdivisions and other entities (including cooperatives) authorized by an individual state's statutes to use state contracts are subject to the approval of the respective State Chief Procurement Official. Issues of interpretation and eligibility for participation are solely within the authority of the State Chief Procurement Official.

3. **Changes:** (Insert specific changes or a statement that "No Changes Are Required")

4. **Primary Contacts**

The primary contact individuals for this Addendum are as follows (or their named successors):

Lead State (representing both Nevada state procurement and Nevada Corrections)

Name: Ronda Miller
Address: 515 E. Musser Street, Room 300, Carson City, NV 89701
Telephone: (775) 684-0182
Fax: (775) 684-0188
-mail: rlmiller@purchasing.state.nv.us

Contractor

Name:
Contractor:
Address:
Telephone:
Fax;
E-mail:

Participating State – State Purchasing Authority

Name:
Address:
Telephone:
Fax:
E-mail:

Participating State – State Corrections Authority

Name:
Address:
Telephone:
Fax:
E-mail:

5. Servicing Subcontractors: None

The Master Price Agreement Number and the Participating State Contract Number (if provided above) MUST be shown on all Purchase Orders issued against this Agreement.

This Addendum and the Master Price Agreement together with its exhibits, set forth the entire agreement between the parties with respect to the subject matter of all previous communications, representations or agreements, whether oral or written, with respect to the subject matter hereof. Terms and conditions inconsistent with, contrary or in addition to the terms and conditions of this Addendum and the Master Price Agreement, together with its exhibits, shall not be added to or incorporated into this Addendum or the Master Price Agreement and its exhibits, by any subsequent purchase order or otherwise, and any such attempts to add or incorporate such terms and conditions are hereby rejected. The terms and conditions of this Addendum and the Master Price Agreement and its exhibits shall prevail and govern in the case of any such inconsistent or additional terms. This Addendum applies only in the jurisdiction of the Participating State which has executed this Addendum.

IN WITNESS WHEREOF, the parties have executed this Addendum as of the last date of execution below.

State of _____

Participating State Chief Procurement Official or state procurement designee.

By: _____

Name: _____

Title: _____

Date: _____

Participating State Chief Corrections Official or state correction designee.

By: _____

Name: _____

Title: _____

Date: _____

Contractor:

By: _____

Name: _____

Title: _____

Date: _____

Attachment I

CERTIFICATION REGARDING LOBBYING

Certification for Contracts, Grants, Loans, and Cooperative Agreements

The undersigned certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federally appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub awards at all tiers (including subcontracts, sub grants, and contracts under grants, loans, and cooperative agreements) and that all sub recipients shall certify and disclose accordingly.

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

By: _____ Date: _____
(Signature of Official Authorized to Sign Application)

For: _____
Name of Independent Contractor

Title of Project

This document must be submitted in the
"State Documents" section/tab

Attachment J

LIST OF FEDERAL LAWS AND AUTHORITIES

ENVIRONMENTAL:

1. Archeological and Historic Preservation Act of 1974, PL 93-291
2. Clean Air Act, 42 U.S.C. 7506(c)
3. Endangered Species Act 16 U.S.C. 1531, ET seq.
4. Executive Order 11593, Protection and Enhancement of the Cultural Environment.
5. Executive Order 11988, Floodplain Management
6. Executive Order 11990, Protection of Wetlands
7. Farmland Protection Policy Act, 7 U.S.C. 4201 ET seq.
8. Fish and Wildlife Coordination Act, PL 85-624, as amended
9. National Historic Preservation Act of 1966, PL 89-665, as amended
10. Safe Drinking Water Act, Section 1424(e), PL 92-523, as amended

ECONOMIC:

1. Demonstration Cities and Metropolitan Development Act of 1966, PL 89-754, as amended
2. Section 306 of the Clean Air Act and Section 508 of the Clean Water Act, including Executive Order 11738, Administration of the Clean Air Act and the Federal Water Pollution Control Act with Respect to Federal Contracts, Grants or Loans

SOCIAL LEGISLATION

1. Age Discrimination Act, PL 94-135
2. Civil Rights Act of 1964, PL 88-352
3. Section 13 of PL 92-500; Prohibition against sex discrimination under the Federal Water Pollution Control Act
4. Executive Order 11246, Equal Employment Opportunity
5. Executive Orders 11625 and 12138, Women's and Minority Business Enterprise
6. Rehabilitation Act of 1973, PL 93, 112

MISCELLANEOUS AUTHORITY:

1. Uniform Relocation and Real Property Acquisition Policies Act of 1970, PL 91-646
2. Executive Order 12549 – Debarment and Suspension

Attachment K

Nevada Department of Corrections (NDOC) Security Regulations

These regulations are not inclusive of all security regulations for each facility. It is the responsibility of the awarded vendor to adhere to all facility security regulations.

1. All persons employed by the contractor who will be entering prison grounds, prior to the commencement of any on-site work, will be required to complete a criminal history background application. Background checks are required in all instances and applicants are approved for entry under the company name on the application only.
2. If an employee knows any inmate incarcerated in the Nevada Department of Corrections it must be disclosed on the background application. Entrance to the institutions will be approved on a case by case basis.
3. A picture ID is required of all employees entering any institution.
4. Ex-felons will not be allowed entry on to any prison grounds without the express approval of the Director of the Department of Corrections.
5. Employees of the contractor who will be entering prison grounds will not be able to wear clothing similar to inmate clothing, i.e., blue jeans, blue shirts, without a business logo **and** without prior approval from the institution(s).
6. All contractor vehicles entering and leaving an institution will be thoroughly inspected. Any vehicle or individual will be subject to search at any time while on institution grounds. Vehicles that are left unattended while inside the institution must be locked.
7. The contractor is responsible for all tools brought on to prison grounds and must ensure that all tools are accounted for when completing on site work. All loose tools and equipment must be secured within their locked vehicle or assigned storage area.
8. Items that are lost or turn up missing will be reported to the Associate Warden of Operations (AWO) immediately. The institution will not be responsible for the contractor's tools, equipment, or materials. It is suggested that no valuables be brought into the institution.
9. No cell phones, PDA's, narcotics, alcohol, firearms or other weapons shall be carried on the premises. All contractors must ensure that, while at the facility, inmates do not have access to telecommunication devices in accordance with NRS 209.417 and NRS 212.165.
10. There shall be no fraternization with inmates.
11. All NDOC Institutions and Facilities are tobacco free. Tobacco products cannot be brought into any institution/ facility or used anywhere on prison grounds, including parking lots. Contractors must leave all tobacco products in locked vehicles in the parking lot. Vehicles will not be allowed to internal access to institution/facility carrying any tobacco products. Tobacco products may not be used while supervising inmates regardless of your location. Violation of this procedure will result in removal from prison property.

By: _____ Date: _____
(Signature of Official Authorized to Sign Application)

This document must be submitted in the
"State Documents" section/tab

Attachment L

Cost Proposal



Cost.xlsx

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srvpurch@purchasing.state.nv.us
for an emailed copy.*

Attachment M

Nevada Department of Corrections Contractor Background Check Application



Background
Check.DOC

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
svpurch@purchasing.state.nv.us
for an emailed copy.*

Attachment N

Reporting Forms



MCPA Reporting
Requirements Instruc



MCPA Admin Fee
Check Form.doc



MCPA Sales
Reporting Model.xls



MCPA Sales
Reporting Requirement

*If you are unable to access the above inserted file,
please contact Nevada State Purchasing at
srypurch@purchasing.state.nv.us
for an emailed copy.*

APPENDIX E

Non-Disclosure Agreement

Disclosure of New York State Department of Corrections and Community Supervision Information

THIS NONDISCLOSURE AGREEMENT is entered into as of June 13, 2017 by the New York State Department of Corrections and Community Supervision (“DOCCS”) which is the party disclosing confidential information, and JPay, Inc., which is the party receiving confidential information (“Recipient”), in order to protect the confidential information which is disclosed to the Recipient by DOCCS.

NOW THEREFORE, in consideration of the mutual covenants contained herein, the parties hereto agree as follows:

1. The Recipient’s representatives for receiving confidential information are: Errol Feldman of JPay, Inc. Recipient shall not disclose the confidential information to any of its employees other than those who have a need to review it and which employees are legally obligated to honor the confidentiality provisions herein.

2. The confidential information disclosed by DOCCS under this Agreement is described as:
Bank account number and the bank routing number.

3. The Recipient shall keep the information confidential and shall use the confidential information only for Contract #C161422.
The Recipient shall not make any copies of the confidential information except as necessary for its employees who are entitled to view it under Section 1 above. Any copies made shall be identified as belonging to DOCCS and marked “confidential” or with a similar legend.

4. The Recipient shall, where applicable, protect the confidential information in a manner consistent with the Health Insurance Portability and Accountability Act (“HIPAA”) of 1996 Privacy and Security provisions and all other applicable regulations.

5. The Recipient shall comply with all Federal and State regulations intended to protect criminal history records as they apply to the confidential information.

6. The Recipient shall comply with all DOCCS directives, policies, practices and procedures as they apply to the protection of the confidential information.

7. The Recipient shall, in the event, of unauthorized disclosure of the confidential information, immediately notify DOCCS, in writing, and fully comply with the requirements of the New York State Breach Notification Act.

8. Any unauthorized disclosure of procurement information may subject Recipient to criminal, civil, and/or administrative penalties.

9. To the extent permitted by law, the Recipient shall protect the disclosed confidential information by using the same degree of care, but no less than a reasonable degree of care, to prevent the unauthorized use, dissemination or publication of the confidential information as the Recipient uses to protect its own confidential information of a like nature.

10. The Recipient shall have a duty to protect all confidential information which is disclosed to it, whether disclosed in writing, orally or in any other manner and which is identified as confidential at the time of disclosure. If the disclosure is in writing, it shall be marked "**confidential.**" If a disclosure is not in writing, DOCCS shall provide Recipient with a written memorandum summarizing and designating such information as confidential within thirty (30) days of the disclosure.

11. This agreement controls information that is disclosed to Recipient between August 1, 2017 through July 31, 2022.

12. The Recipient's duties under paragraph 3,4,5,6 & 7 of this Agreement shall expire (1) year after the information is received. The recipient shall return or destroy all DOCCS confidential information. All paper documents and any copies, made in accordance with #3 above, are to be shredded. Electronically stored information is to be destroyed by shredding or securely wiping the media.

13. This Agreement imposes no obligation upon the Recipient with respect to confidential information which (a) was in the Recipient's possession before receipt by DOCCS; (b) is or becomes a matter of public knowledge through no fault of the Recipient; (c) is received by the Recipient from a third party without a duty of confidentiality; (d) is disclosed by DOCCS to a third party without a duty of confidentiality on the third party; (e) is independently disclosed by the Recipient with DOCCS' prior written approval; (f) is developed by the Recipient without reference to information disclosed hereunder.

14. DOCCS warrants that it has the right to make the disclosure under this Agreement.

15. Neither party acquires any intellectual property under this Agreement.

16. Neither party has an obligation under this Agreement to purchase, sell or license any service or item from the other party.

17. The Recipient shall adhere to U.S. Export Administration laws and Regulations and shall not export or re-export technical data, information or products received from DOCCS or the direct product of such technical data or information to any proscribed country listed in the U.S. Export Administration Regulations, unless properly authorized by the U.S. Government.

18. The parties do not intend that any agency or partnership be created between them by this Agreement.

19. All additions or modifications to this Agreement must be in writing and signed by both parties.

20. This Agreement is made under and shall be governed by the laws of the State of New York.

21. Neither party may assign its rights or obligations under this Agreement without the written consent of the other party. Any assignment made without said consent shall be null and void.

22. The recipient shall indemnify and hold harmless DOCCS and the State of New York from any and all suits, causes of actions, claims, grievances, damages, judgments, and costs of every name and description under this Agreement, unless such injuries or damages are directly attributable to the intentional acts or negligent conduct of DOCCS, the State of New York, or their employees.

23. The failure of DOCCS to insist upon strict adherence to any provision or other requirement of this Agreement shall not be considered a waiver to deprive DOCCS of the right to insist upon strict adherence of the terms of this Agreement in the future.

24. If any provision, or portion thereof, of this Agreement is, or becomes, invalid under any applicable statute or rule of law, it is to be deemed stricken and the rest of this Agreement shall remain in full force and effect.

25. This Agreement may be terminated immediately by either party upon delivery of written notice of termination to the other party. Such termination shall not affect Recipient's duty with respect to confidential information disclosed prior to termination.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date first above written.

NYS Department of Corrections and
Community Supervision

By: Sandra L. Downey

Print Name: Sandra L. Downey

Title: Director, Budget and Finance

Date: 6/19/17

JPay, Inc.

By: [Signature]

Print Name: ERROL FELDMAN

Title: CEO

Date: 6/13/17

Forward all executed copies of nondisclosure agreements to:

NYS Department of Corrections and Community Supervision
Information Security Officer
Building 9
1220 Washington Avenue
Albany, New York 12226-2050



Corrections and Community Supervision

ANDREW M. CUOMO
Governor

ANTHONY J. ANNUCCI
Acting Commissioner

June 28, 2017

Office of the Comptroller
Contract Bureau
110 State Street – 11th Floor
Albany, NY 12236

RE: CONTRACT NO. /
CONTRACTOR NAME: C161422 JPay, Inc.

DATE: 8/1/2017 – 7/31/22
PURPOSE: Inmate Kiosks and related services (Piggyback)
AMOUNT: \$0

CONTACT PERSON: David Gambacorta
Phone: (518) 436-7886 ext. 3110
Email: David.Gambacorta@doccs.ny.gov

To Whom it may Concern:

Enclosed for your review and approval is a contract for inmate kiosks and related services. DOCCS has chosen to piggyback off of the National Association of State Procurement Officials (NASPO) contract #1901.

The SFS Single Transaction Summary (STS) and supporting documentation are enclosed for the above referenced contract. Thank you for your consideration in this matter. Should you require any other information or clarifications, please contact me.

Please take note that the contract should be returned to me at:

Attn: David Gambacorta
NYS DOCCS - Division of Support Operations
550 Broadway, Menands, New York 12204

Sincerely,

David Gambacorta
Contract Management Specialist 3



Office of General Services

ANDREW M. CUOMO Governor

ROANN M. DESTITO Commissioner

April 11, 2017

Mr. David Gambacorta
Department of Corrections and Community Supervision (DOCCS)
550 Broadway
Menands, NY 12204

Dear Mr. Gambacorta

Re: Use of State of Nevada's contract (#1901) on behalf of NASPO with JPay, Inc. for Inmate Kiosks and Related Services

Procurement Services, a division of the Office of General Services (OGS), has completed its review of your request under New York State Finance Law §163 (10)(e) to "Piggyback" on the State of Nevada's contract 1901 with JPay, Inc. for Inmate Kiosks and Related Services.

Based on our review of the information provided by you, we have determined that the proposed acquisition meets the requirements under §163 (10)(e) and recommend approval. This approval is based on your justification letter dated April 4, 2017.

Please note that the items below are required to be included in DOCCS' Procurement Record and should be submitted to the Office of the State Comptroller for pre-audit, if required:

- DOCCS Justification Letter dated April 4, 2017 ✓
• Approved Contract Use Request Form ✓ no ogs signature ✓
• Copy of this Letter ✓
• State of Nevada's Contract #1901
• Consent from Originating Agency ✓
• Consent of Vendor
• Vendor's Pricing Proposal for this Piggyback
• MWBE documents, as applicable
• Insurance documents, as applicable
• Other approvals, if any, in accordance with your agency policy

If you have any questions regarding this matter, please contact Beverly Moore at 518/485-2143 or by e-mail at Beverly.moore@ogs.ny.gov.

Sincerely,

Beverly L Moore

Beverly L. Moore
Contract Management Specialist 2

Cc: OGS Procurement Services



Corrections and Community Supervision

ANDREW M. CUOMO
Governor

ANTHONY J. ANNUCCI
Acting Commissioner

April 4, 2017

Ms. Beverly L. Moore
Office of General Services | Procurement Services
38th Floor, Corning Tower
Empire State Plaza
Albany, NY 12242

Dear Ms. Moore:

The Department of Corrections and Community Supervision (DOCCS) is seeking permission to participate in the NASPO ValuePoint Cooperative Purchasing Organization and piggyback on the State of Nevada Contract #1901 for Inmate Kiosks with JPay, Inc. In addition to the Contract Use Request Form previously submitted, this letter serves as written justification as to why this contract and contractor meet our form, function and utility.

Overview of Existing DOCCS Operation for Banking Services

Inmate funds are managed in a DOCCS accounting system. The total of the inmates' funds are grouped together into a Facility Trust Fund Account which are held at local financial institutions. There is no electronic relationship between each facility's financial institution and DOCCS' accounting system. As a result, a reconciliation process takes place every day between the individual transacting against the bank accounts as a whole and the individual transacting within the accounting system on each individual inmate's accounts.

Inmates currently receive funds from family and friends through the mail or the use of a drop box located at each facility. DOCCS staff are responsible for processing the funds into the inmate's account and generating a receipt for the deposit.

There are no electronic relationships between any of the financial institutions DOCCS utilizes. Therefore, when an inmate is moved from one facility to another, funds are transferred through the use of a paper check. The initial facility must generate the check and send to the receiving facility for deposit. Also, if an inmate is released from the custody of DOCCS, he is given a check for the remainder of his funds.

The processes described above for receiving and transferring funds can be tedious and time-consuming for all staff involved. The handling of money, checks, and money orders by DOCCS staff and released inmates increases the opportunity for risk which has caused several instances of fraud in the past.

Services Provided by JPay on the NASPO Contract

JPay's services under the NASPO contract allow for inmate family and friends to deposit funds via a secure kiosk and apply it into the appropriate inmate accounts. The kiosks will be installed in visiting rooms located at each correctional facility. JPay will also provide for the ability to apply guaranteed deposits from family/friends to an inmate's account on a near real-time basis from means outside of a correctional facility. These sources include phone, secure internet transactions (web-based), and MoneyGram locations throughout the country. As a free option for the inmate's family and friends, JPay will provide an exclusive mailbox address for receiving money orders. DOCCS staff will not handle any money received in these formats. DOCCS will continue to utilize our accounting system that JPay will interface with.

JPay will utilize the 27 plus local financial institutions DOCCS currently has a relationship with. Upon the transfer of an inmate, JPay will move the money from one institution to the next with their funds. DOCCS will in turn reimburse JPay at the close of each week. Another service provided by JPay is Release Debit Cards. When an inmate is released from the custody of DOCCS, JPay will provide a debit card for their remaining funds. DOCCS staff will no longer need to issue a check using these formats.

By acquiring the services provided by JPay, DOCCS will enhance services to and for inmates while reducing staff workload. It is also DOCCS intention to mitigate risk associated with the handling of inmate funds.

Justification of Vendor Selection

In March 2017, DOCCS held meetings with JPay and Keefe Group to present their offering under the NASPO contract. Although both vendors offer similar services, they each have different kiosk interface methods. DOCCS has determined that JPay's services are more suitable for our facility operations and Keefe does not offer the same level of banking services. Specifically, Keefe did not offer a solution for the movement of funds from one facility to another. As a significant amount of inmates transfer facilities on a daily basis, this function is critical in streamlining our processes. JPay's software provides for a host of investigative tools which are preferred by DOCCS. Their NASPO contract offering also allows for the expansion of kiosk services that include tablets, music, email, and education at no cost to DOCCS.

Although Keefe does not meet our form, function, and utility for banking services, we did find their commissary services desirable from their presentation. Keefe is currently one of DOCCS' primary vendors used in commissary operations and we may choose to explore a piggyback option with them at a later time.

JPay has the capacity and capability to meet DOCCS' needs and piggybacking is a resourceful mechanism for DOCCS to obtain their services. JPay is the national leader in electronic funds transfer and serves more than 150 corrections agencies in 33 states. DOCCS currently has an agency contract with JPay for Supervision Fees Collection and their performance has been excellent. Furthermore, New York City Department of Corrections has previously received OGS approval to piggyback on NASPO contract #1901 and considers JPay to be a proven vendor.

Thank you for your attention to this matter. If you require any further information regarding this request, please contact me by emailing david.gambacorta@doocs.ny.gov or calling (518) 436-7886 x3110.

Sincerely,

David Gambacorta

David Gambacorta
Contract Management Specialist 3



Contract Use Request Form

Instructions:

Entities requesting OGS review of piggyback should complete and submit the following to the Customer Services Team:

- **By email:** customer.services@ogs.ny.gov.
- **By mail:** NYS Office of General Services, Procurement Services | Corning Tower, 38th Floor | Albany, NY 12242

Note: Individual agency contracts are subject to the review & approval of OSC & other agency specific review as applicable.

1. Please provide contact information.

For Your Agency/Organization:			
Agency/Organization	Department of Corrections and Community Supervision (DOCCS)		
Contact Name:	David Gambacorta		
Address:	550 Broadway, Menands, NY 12204		
Phone:	(518) 436-7886 x3110		
Email:	David.Gambacorta@doccs.ny.gov		
Fax:	(518) 436-1519		
For the Original Contracting Entity		For the Contractor	
Entity:	State of Nevada	Contractor:	JPay, Inc.
Name:	Ronda Miller	Name:	Greg Levine
Address:	515 E. Musser Street, Suite 300 Carson City, NV 89701	Address:	12864 Biscayne Blvd., Suite 243 Miami, FL 33181
Phone:	(775) 684-0182	Phone:	(954) 862-6906
Email:	rlmiller@admin.nv.gov	Email:	glevine@jpay.com
Fax:	(775) 684-0188	Fax:	

2. Please provide details of the procurement.

Describe the product or service on the original contract*.	JPay provides and manages a system that allows access to automated services. This contract provides kiosks that are primarily used for inmate banking and are built solely for corrections environments. All necessary hardware and software is provided by JPay for inmate banking transactions. Other services such as electronic messaging, inmate grievances, video visitation, music purchasing/downloads, and commissary ordering are also available on this contract.
Describe the product or service which you intend to acquire*.	DOCCS intends to acquire Inmate Kiosks and related services provided for in the original contract.

Original Contract ID/Reference #:	RFP/Contract #1901
Original Contract Award Date:	August 1, 2011
Contract Term:	August 1, 2011 through July 31, 2022
Your Acquisition Timeframe:	July 2017

<p>This piggyback will take the form of an:</p> <p><input type="checkbox"/> Amendment to the original contract</p> <p><input checked="" type="checkbox"/> Independent contractual agreement</p>
--

A copy of the original contract & its pricing is required with this application. Have you included a hard copy or forwarded an electronic copy of both to OGS Customer Services?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Does the original contract contain language for contract extensions to additional users?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Written approval for using this contract must be obtained & provided from both the original contracting entity & the vendor. Have these been included with your application?	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>
Does the original contract provide for aggregate discounts?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>
If yes, have these discounts been applied to the intended piggyback volume?	Yes <input type="checkbox"/> No <input type="checkbox"/>

For the product or service you wish to acquire, provide the following information:

Major/Primary Product(s), or Type(s) of Service or Job Title(s) to be Acquired*:	Estimated Quantity Required	Unit Price Per Original Contract	Anticipated Total Item Price for Piggyback
Inmate Kiosks / Banking Services	54	\$0	
Estimated Total Value of Piggyback (including secondary contract items):		\$0	

3. Provide information on the procurement method.

What was the original method of award for this contract?	What procurement alternative(s) could be used for your acquisition?
<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Mini-bid <input type="checkbox"/> Non-Competitive Based On: <input type="checkbox"/> Preferred Source <input type="checkbox"/> Under Discretionary Threshold <input type="checkbox"/> Sole <input type="checkbox"/> Single Source <input type="checkbox"/> Emergency <input type="checkbox"/> Other _____	<input checked="" type="checkbox"/> Competitive <input type="checkbox"/> Mini-bid <input type="checkbox"/> Non-Competitive Based On: <input type="checkbox"/> Preferred Source <input type="checkbox"/> Under Discretionary Threshold <input type="checkbox"/> Sole <input type="checkbox"/> Single Source <input type="checkbox"/> Emergency <input type="checkbox"/> Other _____

Please describe why piggybacking is the appropriate mechanism for this procurement (i.e. timing, level playing field, nature of use). Were other procurement methods considered? Are there any special, unusual, or exigent market circumstances underlying this extension request? Make sure to answer all questions and attach additional documents if you need more space.

DOCCS previously released an RFP for commissary and banking services. The solicitation encountered many complexities and was rescinded. DOCCS considered reissuing the RFP but concluded that piggybacking is the more efficient way to acquire services as the State of Nevada, on behalf of NASPO, already completed a competitive solicitation.

The services, terms, conditions, and pricing provided by JPay in their awarded contract agreement are favorable to DOCCS. By acquiring these services, it is DOCCS intention to also mitigate risk associated with the handling of money, checks, and money orders.

JPay is a proven vendor that has the capacity and capability to meet DOCCS needs.

4. Please provide price justification information.

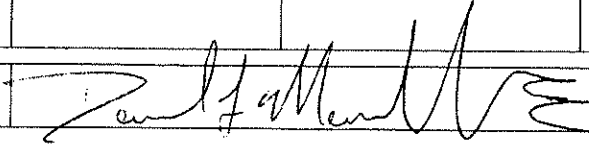
Have market conditions changed since the original award (i.e. availability of supply, price fluctuations)?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If yes, please describe:
Is there a mechanism in the contract for an adjustment to the original contract terms to reflect current pricing or market conditions?	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>	If yes, please describe:

How have you determined the reasonableness of price for the piggyback volume? Is there additional discount being provided in consideration of your use of this agreement? Please describe*:

The services will be provided to DOCCS at no cost. The vendor charges fees to inmates and inmate family/friends for using the services. DOCCS will negotiate fees with JPay prior to finalizing an agreement.

5. Agency Representation:

In providing the above information to the Office of General Services for piggybacking approval under State Finance Law, § 163 (10) (e), the entity making this submission represents that it has done a thorough review of the original procurement documents, and that the information forwarded in this "Contract Use Request" provides a complete and accurate summary of both the original contract and intended agency piggyback procurements.

Date: 3/17/17		Name & Title (Printed): Daniel F. Martuscello III Deputy Commissioner for Administrative Services
Authorized Signature:		

For OGS Use Only

Date:		Name & Title (Printed):	
Authorized Signature:			

- Approved** **Approved with Comment (see attached)** **Disapproved**

Gambacorta, David M (DOCCS)

From: Gambacorta, David M (DOCCS)
Sent: Friday, March 17, 2017 1:49 PM
To: Gambacorta, David M (DOCCS)
Subject: Written Approval from Nevada

From: Ronda Miller [mailto:rlmiller@admin.nv.gov]
Sent: Wednesday, March 15, 2017 2:56 PM
To: Gambacorta, David M (DOCCS)
Subject: RE: NASPO Contract for Kiosks

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.

Hello ~

The State of Nevada as the "Lead State" for Inmate Kiosks authorizes the State of New York to participate in the NASPO ValuePoint contract. If your State has not already done an Participating Addendum, please go to the NASPO ValuePoint website and download the proper documents.

Please note that I am in the process of re-bidding this contract. We are looking for sourcing team members if you are interested ☺ The expiration date will be 2018 for this contract.

Let me know if you have any questions.

From: Gambacorta, David M (DOCCS) [mailto:David.Gambacorta@doccs.ny.gov]
Sent: Wednesday, March 15, 2017 11:51 AM
To: Ronda Miller
Subject: RE: NASPO Contract for Kiosks

Hi Ronda –

It doesn't have to be anything elaborate. Just a sentence or two approving the piggyback. I have attached JPay's submission for your reference.

Thank you for your assistance.

David

From: Ronda Miller [mailto:rlmiller@admin.nv.gov]
Sent: Wednesday, March 15, 2017 2:12 PM
To: Gambacorta, David M (DOCCS) <David.Gambacorta@doccs.ny.gov>
Subject: RE: NASPO Contract for Kiosks

ATTENTION: This email came from an external source. Do not open attachments or click on links from unknown senders or unexpected emails.

Sorry I have been out of the office. What do you need me to say?

From: Gambacorta, David M (DOCCS) [<mailto:David.Gambacorta@doccs.ny.gov>]
Sent: Thursday, March 09, 2017 2:35 PM
To: Ronda Miller
Subject: FW: NASPO Contract for Kiosks

Ronda –

New York State Corrections and Community Supervision (DOCCS) is interested in piggybacking off or the NASPO contract for Kiosks with JPay – RFP/Contract #1901. In order to proceed, the NYS Office of General Services requires a written approval from the original contracting entity to utilize the contract. Is this something you can provide to me?

Thank you,

David Gambacorta
Contract Management Specialist 3

Department of Corrections and Community Supervision
Support Operations - Contract Procurement Unit
The Harriman State Campus
1220 Washington Avenue, Albany, NY 12226

(518) 436-7886 x 3110 | David.Gambacorta@doccs.ny.gov

www.doccs.ny.gov

Gambacorta, David M (DOCCS)

From: Jessica Camuffo <jcamuffo@jpay.com>
Sent: Friday, March 10, 2017 12:02 PM
To: Gambacorta, David M (DOCCS)
Cc: Greg Levine; Errol Feldman; Lee Posner; Shari Katz
Subject: Written approval from JPay Inc. to NY State / NASPO Contract

Dear David:

By means of this email, JPay Inc. ("JPay") hereby informs the New York State Office of General Services that JPay intends, and has the requisite authority and approvals, to enter into the NASPO ValuePoint Statewide Master Service Agreement Number 1901 and New York State's corresponding Participating Addendum with the New York State Department of Corrections and Community Supervision for the provision of certain services in accordance with the terms set forth in those agreements.

Please do not hesitate to contact me with any further requests.

Regards,

Jessica Camuffo
JPay Inc. | General Counsel and Chief Administrative Officer
O: 954-862-6931 | M: 917-749-9588
jcamuffo@jpay.com

Report ID: NYCA1711

State of New York
Statewide Financial System
VendRep Transmittal Form

Page No: 1
Run Date: 8/16/2017
Run Time: 11:05 AM

Part 1: Transmission by Primary Auditor to VendRep (VR)

Date Printed: 08/16/2017 Total # of Pages Sent to VR: _____ Return Folder To: Michelle to Jim

SetID/BU: SHARE Audit ID: DOC01-C161422-3250226 Amend Seq#: 0

Document Type: PC Audit Type: TBV OSC Received Date: 08/16/2017

Vendor Name: JPAY INC Vendor ID: 1100116726 Payee ID Additional:

Amount: 8,800,000.00 Contract ID: 0000000000000000000030735 Version Number: 1

Primary Auditor: mxk31 Primary Auditor Phone: 518/473-2401 Assigned Team: RFP

Recommendation to VRT: RR - Review Required

Agency Documents Transmitted: Agency Certification _____ # pages Profile _____ # pages

Vendor Documents Transmitted: Questionnaire submitted through VR System

Hardcopy Disclosure _____ # pages Other _____ # pages

Comments: First time over \$1 million, previously rejected transaction (0000000000000000000028803) identified the same vendor with adverse VRQ status, David Gambacorta, david.gambacorta@doccs.ny.gov, 518-436-7885 ext 3110

Part 2: Completed by VendRep Workflow Coordinator

Date VR Documents Received: _____ VR Auditor Assigned To: MM

Date Assigned: 8/16/17 Date Due: _____

Level of Review: Full Initial: MM

Part 3: Completed by VendRep Auditor Upon Completion of Audit

Recommend for Approval Date to VR Approver: 8/18/17

Recommend for Approval with Reservations

Recommend for Non-Approval Initial: D

Not Reviewed

Part 4: Completed by VendRep Approver

VendRep Auditor's Recommendation is: Accepted Rejected Date To WFC: _____

Report ID: NYCA1711

State of New York
Statewide Financial System
VendRep Transmittal Form

Page No: 2
Run Date: 8/16/2017
Run Time: 11:05 AM

Initial: RS

Part 5: VendRep Workflow Coordinator

Date VR Package Returned to BOC Procurement Record: 8/18/17 Initial: RS

Comments: _____



Workers' Compensation Board

CERTIFICATE OF INSURANCE COVERAGE UNDER THE NYS DISABILITY BENEFITS LAW

PART 1. To Be completed by Disability Benefits carrier or Licensed Insurance Agent of that Carrier	
1a. Legal Name & Address of Insured (Street address only) JPay Inc. 10981 Marks Way Miramar, FL 33025 ✓	1b Business Telephone Number of Insured (954) 862-6900 1c NYS Unemployment Insurance Employer Registration Number of Insured 1d Federal Employer Identification Number of Insured or Social Security number
2. Name and Address of the Entity Requesting Proof of Coverage (Entity Being Listed as the Certification Holder) State of New York and New York State Department of Corrections and Community Supervision The Harriman State Campus 1220 Washington Avenue Albany, NY 12226 ✓	3a Name of insurance carrier MUTUAL OF OMAHA 3b Policy Number of entity listed in box "1a" 3c Policy effective period; 06/01/2017 – 06/01/2018 ✓

4. Policy covers:

- a. All of the employer's employees eligible under the New York Disability Benefits law
- b. Only the following class or classes of the employer's employees:

Under penalty of perjury, I certify that I am authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has NYS Disability insurance coverage as described above.

Date Signed 8/2/2017 BY Hana Rubin
Signature of carrier's authorized representative (currently on file with DB Bureau)

Tel. No.: (914-591-7111) Title DISABILITY ADMINISTRATOR

IMPORTANT: If box "4a" is checked, and this form is signed by the insurance carrier's authorized representative or NYS Licensed Insurance Agent of that carrier, This certificate is Completed. Mail it directly to the certificate holder.
If box "4b" is checked, this certificate is NOT COMPLETE for purposes of Section 220, Subd. 8 of the Disability Benefits Law. It must be mailed for completion to the Workers' Compensation Board, DB Plans Acceptance Unit, 20 Park Street, Albany, New York 12207

PART 2 TO BE COMPLETED BY NYS WORKER'S COMPENSATION BOARD (Only if box "b" of Part 2 has been checked)	
STATE OF NEW YORK WORKERS' COMPENSATION BOARD	
According to information maintained by the NYS Workers' Compensation Board, the above-named employer has complied with the NYS Disability Benefits Law with respect to all of his/her employees.	
Date Signed _____	By _____ (Signature of NYS Workers' Compensation Board Employees)
Tel. No. () _____	Title _____

Please Note: Only Insurance carriers licensed to write NYS disability benefits insurance policies and NYS licensed insurance agents of those carriers are authorized to issue Form DB-120.1. Insurance brokers are NOT authorized to issue this form

Additional Instructions for Form DB-120.1

By signing this form, the insurance carrier identified in box "3" on this form is certifying that it is insuring the business referenced in box "1a" for disability benefits under the New York State Disability Benefits Law. The Insurance Carrier or its licensed agent will send this Certificate of Insurance to the entity listed as the certificate holder in box "2".

Will the carrier notify the certificate holder within 10 days of a policy being cancelled for non-payment of premium or within 30 days if cancelled for any other reason or if the insured is otherwise eliminated from the coverage indicated on this certificate prior to the end of the policy effective period? YES NO

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This certificate may be used as evidence of a Disability Benefits contract of insurance only while the underlying policy is in effect.

Please Note: Upon the cancellation of the disability benefits policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of NYS Disability Benefits Coverage or other authorized proof that the business is complying with the mandatory coverage requirements of the New York State Disability Benefits Law.

DISABILITY BENEFITS LAW

§220. Subd. 8

(a) The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in employment as defined in this article, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits for all employees has been secured as provided by this article. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any disability benefits to any such employee if so employed.

(b) The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in employment as defined in this article and notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that the payment of disability benefits for all employees has been secured as provided by this article.

**STATE OF NEW YORK WORKERS' COMPENSATION BOARD
DISABILITY BENEFITS LAW**

CERTIFICATE/CANCELLATION OF INSURANCE

Filed on behalf of Employer in compliance with Article 9 of the Workers' Compensation Law

Initial Cancellation Reinstatement Supersedes Transaction Effective Date: **6/1/2017**

A. INSURER/CARRIER		
1. INSURER/CARRIER NAME MUTUAL OF OMAHA INSURANCE COMPANY	2. INSURER/CARRIER CODE B110005	3. INSURER/CARRIER TELEPHONE NO. 914-591-7111
4. CONTACT NAME HANA RUBIN	5. TITLE DISABILITY ADMINISTRATOR	6. TODAY'S DATE 8/2/2017
B. CURRENT - EMPLOYER INFORMATION		
7. WCB EMPLOYER NUMBER	8. NYS UIER NUMBER	9. EMPLOYER FEIN 01-0756761
10. EMPLOYER'S LEGAL NAME INCLUDING (DBA/AKA/TA) JPAY INC.		13. LEGAL STATUS (SEE BACK OF FORM) 3
11. ADDRESS 10981 MARKS WAY		14. # OF EMPLOYEES 1
12. CITY MIRAMAR	STATE FL ZIP CODE 33025	15. TELEPHONE NO. (954)862-6900
C. POLICY		
<i>* If policyholder is an Association, Union or Trustee for which Form DB-820.3 is filed, do not complete items 16 and 18</i>		
16. POLICY NUMBER*	17. POLICY EFFECTIVE DATE 6/1/2017	18. POLICY FORM NUMBER* DBL-100
19. WCB PLAN NUMBER (Only for Assoc., Union or Trustee with Form DB-801 on file.)		20. PREMIUM AMOUNT \$2.43/MALE \$5.77/FEMALE
D. REASONS FOR CANCELLATION		
Non-Payment of Premium Date:		Other:
Not Subject/No Eligible Employees Date:		
Out of Business Date:		CANCELLATION OR TERMINATION SENT TO EMPLOYER:
Seasonal Date:		
E. Complete if SUPERSEDES box is checked at top of form.		F. POLICYHOLDER - If different from Employer
21. EMPLOYER'S LEGAL NAME INCLUDING (DBA/AKA/TA)		27. POLICYHOLDER NAME
22. ADDRESS		28. POLICYHOLDER ADDRESS
23. CITY	STATE ZIP CODE	29. CITY STATE ZIP CODE
24. EMPLOYER FEIN	25. POLICY EFFECTIVE DATE	30. POLICYHOLDER FEIN
26. POLICY NUMBER		
G.		
1. The policy covers Employer's employees as follows:		
a. <input checked="" type="checkbox"/> All employees eligible under the New York State Disability Benefits Law.		
b. All employees eligible under the New York State Disability Benefits Law except those classes of employees eligible to receive benefits under another policy or plan accepted by the Chair.		
c. Only the following class or classes of employees:		
2. The employee contributions required and benefits insured are:		
a. <input checked="" type="checkbox"/> The same in all respects as under Section 204 and not in excess of those authorized under Section 209.		
b. As described in the attached supplement, Form DB820.1.		
c. As described in Employer's Application for Acceptance of a Plan, Form DB800, filed with and accepted by the Chair.		
d. As described in Certificate of Insurance, Form DB820.3, filed on behalf of the Association, Union or Trustees (policyholders) on _____ or amended Form DB820.3 filed thereafter.		
DATE		

To be filed by Insurance Carrier on Behalf of Employer to provide, through insurance, exactly statutory benefits, (Section 204) OR benefits under a plan accepted by the Chairman.

FEDERAL INSURANCE COMPANY		06/01/2011	06/01/2012	Delete Employer/Location	N
GUARANTEE INS CO		04/27/2011	06/01/2011	Policy Cancellation	N
TWIN CITY FIRE INSURANCE CO		06/01/2006	03/01/2007	Delete Jurisdiction	N
TWIN CITY FIRE INSURANCE CO		05/30/2006	06/01/2006	Policy Cancellation	N
ROCHDALE INS CO		12/14/2005	12/31/2005	Policy Cancellation	N
ROCHDALE INS CO		12/14/2004	12/14/2005	Renewal	N

Disability Benefits Coverage

Insurer	Policy Number	Effective Date	End Date	End Reason
MUTUAL OF OMAHA INSURANCE		06/01/2017		
HARTFORD LIFE INSURANCE CO		07/01/2014	10/01/2014	Other
HARTFORD LIFE AND ACCIDENT		07/01/2014	09/01/2016	Non-Payment of Premium
SHELTERPOINT LIFE INSURANCE		12/14/2004	03/02/2006	No Employees



Does Employer Have Coverage?

If you cannot find an employer or suspect an employer of operating without workers' compensation insurance, please select one of the following links to electronically send Employer Whistleblower Form or, mail a paper copy Employer Whistleblower Form (PDF).

Coverage History

IMPORTANT NOTE TO GOVERNMENT AGENCIES: The coverage information contained on this web site is **NOT** a substitute for government agencies requiring certificates of workers' compensation and disability benefits insurance from applicants pursuant to Workers' Compensation Law Sections 57 and 220. Government entities should only use the coverage information contained on this web site to verify certificates of insurance that have already been received pursuant to WCL Sections 57 and 220.

[New Search](#)

[Back to Search Results](#)

Employer

WCB Emp Num	Name	Address
2246203	JPAY INC	MIRAMAR, FL

Workers' Compensation Coverage

Insurer	Policy Number	Effective Date	End Date	End Reason	Wrap Up
BERKLEY REGIONAL INS COMPANY		09/09/2016			N
CHARTER OAK FIRE INS CO		09/09/2015	09/09/2016	Non-Renewal	N
FEDERAL INSURANCE COMPANY		08/08/2015	10/23/2015	Policy Cancelation	N
FEDERAL INSURANCE COMPANY		08/08/2014	08/08/2015	Renewal	N
FEDERAL INSURANCE COMPANY		08/08/2013	08/08/2014	Renewal	N
FEDERAL INSURANCE COMPANY		06/01/2013	08/08/2013	Renewal	N
FEDERAL INSURANCE COMPANY		06/01/2012	06/01/2013	Renewal	N



**Certificate of Attestation of Exemption
From New York State Workers' Compensation
and/or Disability Benefits Insurance Coverage**

****This form cannot be used to waive the workers' compensation rights or obligations of any party.****

The applicant may use this Certificate of Attestation of Exemption **ONLY** to show a government entity that New York State specific workers' compensation and/or disability benefits insurance is not required. The applicant may **NOT** use this form to show another business or that business's insurance carrier that such insurance is not required.

Please provide this form to the government entity from which you are requesting a permit, license or contract. This Certificate will not be accepted by government officials one year after the date printed on the form.

<p align="center">In the Application of (Legal Entity Name and Address):</p> <p>JPAY INC. 12864 BISCAYNE BLVD STE 243 MIAMI, FL 33181 PHONE: 954-862-6912 FEIN: :</p>	<p align="center">Business Applying For: OTHER: PAYMENT COLLECTION FOR NY DOCCS</p> <p>From: NY DOCCS</p>
--	--

Workers' Compensation Exemption Statement:

The above named business is certifying that it is **NOT REQUIRED TO OBTAIN NEW YORK STATE SPECIFIC WORKERS' COMPENSATION INSURANCE COVERAGE** for the following reason:
The out-of-state entity has no NYS employees and/or NYS subcontractors AND ALL work related to the permit, license or contract is done outside of NYS: OR ALL employees are direct employees of a government entity outside of New York.

Disability Benefits Exemption Statement:

The above named business is certifying that it is **NOT REQUIRED TO OBTAIN NEW YORK STATE STATUTORY DISABILITY BENEFITS INSURANCE COVERAGE** for the following reason:
The business **MUST** be either: 1) owned by one individual; OR 2) is a partnership (including LLC, LLP, PLLP, RLLP, or LP) under the laws of New York State and is not a corporation; OR 3) is a one or two person owned corporation, with those individuals owning all of the stock and holding all offices of the corporation (in a two person owned corporation each individual must be an officer and own at least one share of stock); OR 4) is a business with no NYS location. In addition, the business does not require disability benefits coverage at this time since it has not employed one or more individuals on at least 30 days in any calendar year in New York State. (Independent contractors are not considered to be employees under the Disability Benefits Law.)

I, SHARI KATZ, am the COMPLIANCE OFFICER with the above-named legal entity. I affirm that due to my position with the above-named business I have the knowledge, information and authority to make this Certificate of Attestation of Exemption. I hereby affirm that the statements made herein are true, that I have not made any materially false statements and I make this Certificate of Attestation of Exemption under the penalties of perjury. I further affirm that I understand that any false statement, representation or concealment will subject me to felony criminal prosecution, including jail and civil liability in accordance with the Workers' Compensation Law and all other New York State laws. By submitting this Certificate of Attestation of Exemption to the government entity listed above I also hereby affirm that if circumstances change so that workers' compensation insurance and/or disability benefits coverage is required, the above-named legal entity will immediately acquire appropriate New York State specific workers' compensation insurance and/or disability benefits coverage and also immediately furnish proof of that coverage on forms approved by the Chair of the Workers' Compensation Board to the government entity listed above.

SIGN HERE	Signature: <i>Shari Katz</i>	Date: 7/28/17
Exemption Certificate Number 2016-081976		Received December 15, 2016 NYS Workers' Compensation Board

**OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS
VENDOR RESPONSIBILITY PROFILE**

Part I – Contract Information - Complete for all transactions.			
1. Business Unit DOC01	2. Department ID # 3250226	3. Department Name Corrections and Community Supervision	
4. Contract/PO # C161422	5. Amendment Sequence #	6. Transaction Amount \$0	7. Total Contract Value \$0.00
8. Vendor Name JPay, Inc.		9. NYS Vendor ID # 1100116726	10. Taxpayer ID/EIN #
11. Contractor Type: <input checked="" type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor			
12. Contract Description Piggyback Contract for inmate kiosks and related services.			
13. State contracting entity contact for this transaction – Name, Phone, Email David Gambacorta, 518-436-7886 x 3110, David.Gambacorta@docus.ny.gov			
14. Were any issues disclosed by vendor and/or found by State contracting entity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If “Yes,” provide details using Attachment A, Item 1.)			
15. If this is a new contract or renewal, has the vendor’s documentation of New York State Workers’ Compensation and Disability Benefits coverage or exemption been verified as accurate, up-to-date, and included as part of the procurement package as outlined in GFO XI.18.G? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A (If “No,” provide details using Attachment A, Item 2.)			
Part II – Vendor Disclosure and State Contracting Entity Process – Complete for a new contract valued at \$100,000 or more, or an amendment that brings total approved amount to \$100,000 or more for the first time.			
16. Identify disclosures used in this review that were <i>provided by the vendor</i> . Check all that apply and attach all pertinent items. (Information found on the VendRep System should NOT be printed for OSC.)			
<input checked="" type="checkbox"/> Online VendRep Questionnaire Date Certified: 6/2/2017		<input type="checkbox"/> Hard Copy Questionnaire (Must attach, if used) Date Certified:	
<input type="checkbox"/> Financial Statements	<input type="checkbox"/> Solicitation Document Responses	<input type="checkbox"/> Vendor Correspondence	
<input type="checkbox"/> Other Vendor Disclosure - Describe:			
<i>All reviews must be thorough and comprehensive to mitigate any risks to public funds or services.</i>			
17. Is a description of the State contracting entity’s process included in Attachment A, Item 2? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If “No,” explain:			
Part III – State Contracting Entity Responsibility Determination			
The above named contracting entity has undertaken an affirmative review of the proposed contractor’s responsibility and, based upon such review, has reasonable assurance that the proposed contractor is:			
<input checked="" type="checkbox"/> Responsible <input type="checkbox"/> Non-Responsible			
Signature <i>Sandra Downey</i>		Date: 6/19/17	
Print Name: Sandra Downey		Title: Director of Budget and Finance	

**OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS
VENDOR RESPONSIBILITY PROFILE**

Attachment A

Business Unit # DOC01	Department ID # 3250226
Contract/PO # C161422	Amendment Sequence #
Vendor Name JPay, Inc.	NYS Vendor ID # 1100116726

Item 1: Issue Detail

For each issue disclosed by the vendor or found by the State contracting entity, describe the issue and its resolution.

Note: In the "Resolution" field, include the State contracting entity's assessment of the issue, its relevance to the vendor's responsibility for this procurement (including any supporting reasons), and any corrective or mitigating actions taken by the State contracting entity or vendor in response to the issues (attach additional pages if necessary). *If the State contracting entity believes the issue has no impact on this transaction, state the reason(s) justifying such statement.*

Issue Description	State Contracting Entity Resolution
1. Better Business Bureau - "D" Rating	DOCCS reviewed the customer complaints regarding JPay. JPay responds and resolves a majority of the issues. Due to the large amount of accounts JPay handles for various corrections agencies across the country, the amount of complaints is justified. DOCCS feels this will have no impact on this contract transaction.
2.	
3.	

Item 2: State Contracting Entity Process

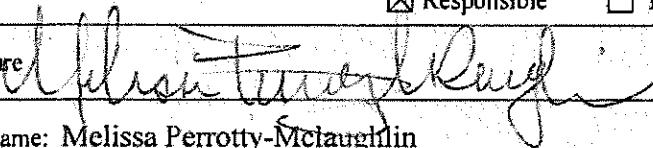
Describe the steps *taken by the State contracting entity* to determine vendor responsibility including consideration of the vendor disclosures and the independent State contracting entity research, including but not limited to, internet sources, contracting entity records, and internal or external communication. If a Resource Checklist was used, it is acceptable to submit the completed list in lieu of describing the process.

Note: Do not submit copies of website search results or information found on the VendRep System.

Financial: NYS Dept. of State (No Debtors)
Legal Authority: NYS Dept. of State (Legal Business)
Integrity: NYS Dept. of Labor (Not on Debarred List)
Performance: Current Contractor for Supervision Fees (Contract # C000812). No issues.

**OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS
VENDOR RESPONSIBILITY PROFILE**

Revised

Part I – Contract Information - Complete for all transactions.			
1. Business Unit DOC01	2. Department ID # 3250226	3. Department Name Corrections and Community Supervision	
4. Contract/PO # C161422	5. Amendment Sequence #	6. Transaction Amount \$0	7. Total Contract Value \$0.00
8. Vendor Name JPay, Inc.	9. NYS Vendor ID # 1100116726	10. Taxpayer ID/EIN #	
11. Contractor Type: <input checked="" type="checkbox"/> Prime Contractor <input type="checkbox"/> Subcontractor			
12. Contract Description Piggyback Contract for inmate kiosks and related services.			
13. State contracting entity contact for this transaction – Name, Phone, Email David Gambacorta, 518-436-7886 x 3110, David.Gambacorta@doccs.ny.gov			
14. Were any issues disclosed by vendor and/or found by State contracting entity? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No (If "Yes," provide details using Attachment A, Item 1.)			
15. If this is a new contract or renewal, has the vendor's documentation of New York State Workers' Compensation and Disability Benefits coverage or exemption been verified as accurate, up-to-date, and included as part of the procurement package as outlined in GFO XI.18.G? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A (If "No," provide details using Attachment A, Item 2.)			
Part II – Vendor Disclosure and State Contracting Entity Process – Complete for a new contract valued at \$100,000 or more, or an amendment that brings total approved amount to \$100,000 or more for the first time.			
16. Identify disclosures used in this review that were <i>provided by the vendor</i> . Check all that apply and attach all pertinent items. (Information found on the VendRep System should NOT be printed for OSC.)			
<input checked="" type="checkbox"/> Online VendRep Questionnaire Date Certified: 6/2/2017		<input type="checkbox"/> Hard Copy Questionnaire (Must attach, if used) Date Certified:	
<input type="checkbox"/> Financial Statements	<input type="checkbox"/> Solicitation Document Responses	<input type="checkbox"/> Vendor Correspondence	
<input type="checkbox"/> Other Vendor Disclosure - Describe:			
<i>All reviews must be thorough and comprehensive to mitigate any risks to public funds or services.</i>			
17. Is a description of the State contracting entity's process included in Attachment A, Item 2? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If "No," explain:			
Part III – State Contracting Entity Responsibility Determination			
The above named contracting entity has undertaken an affirmative review of the proposed contractor's responsibility and, based upon such review, has reasonable assurance that the proposed contractor is:			
<input checked="" type="checkbox"/> Responsible <input type="checkbox"/> Non-Responsible			
Signature: 		Date: 7/28/17	
Print Name: Melissa Perrotty-McLaughlin		Title: Director, Budget and Finance	

**OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS
VENDOR RESPONSIBILITY PROFILE**

Attachment A

Business Unit # DOC01	Department ID # 3250226
Contract/PO # C161422	Amendment Sequence #
Vendor Name JPay, Inc.	NYS Vendor ID # 1100116726

Item 1: Issue Detail

For each issue disclosed by the vendor or found by the State contracting entity, describe the issue and its resolution.

Note: In the "Resolution" field, include the State contracting entity's assessment of the issue, its relevance to the vendor's responsibility for this procurement (including any supporting reasons), and any corrective or mitigating actions taken by the State contracting entity or vendor in response to the issues (attach additional pages if necessary). If the State contracting entity believes the issue has no impact on this transaction, state the reason(s) justifying such statement.

Issue Description	State Contracting Entity Resolution
1. Better Business Bureau - "D" Rating	DOCCS reviewed the customer complaints regarding JPay. JPay responds and resolves a majority of the issues. Due to the large amount of accounts JPay handles for various corrections agencies across the country, the amount of complaints is justified. DOCCS feels this will have no impact on this contract transaction.
2. In section 6.0 of the Vendor Responsibility Questionnaire, the vendor addressed a temporary suspension of a money transmitter license in Washington.	The suspension was remedied expeditiously by JPay. JPay has a money transmitter license to do business in New York State and no fines have been reported. As a result, this disclosure has no bearing on this contract transaction.
3. In section 7.0 of the Vendor Responsibility Questionnaire, the vendor disclosed being served a Civil Investigation Demand.	This matter is still pending. Until an outcome is derived, DOCCS cannot assess. As a result, this disclosure has no bearing on this contract transaction.
4. In Section 7.5 of the Vendor Responsibility Questionnaire, the vendor addressed being subject to fines or penalties imposed by government entities which in the aggregate total \$25,000 or more; or being convicted of a criminal offense pursuant to any administrative and/or regulatory action taken by and government entity.	DOCCS conducted a further search and found that these fines were related to the vendor operating in 7 states listed on the questionnaire prior receiving a money transmitter license. The obligation to these 7 states was immediately satisfied in full and allowed JPay to continue operations. JPay has a money transmitter license to do business in New York State and no fines have been reported. As a result, this disclosure has no bearing on this contract transaction.

OFFICE OF THE STATE COMPTROLLER - BUREAU OF CONTRACTS
VENDOR RESPONSIBILITY PROFILE

Item 2: State Contracting Entity Process

Describe the steps *taken by the State contracting entity* to determine vendor responsibility including consideration of the vendor disclosures and the independent State contracting entity research, including but not limited to, internet sources, contracting entity records, and internal or external communication. If a Resource Checklist was used, it is acceptable to submit the completed list in lieu of describing the process.

Note: Do not submit copies of website search results or information found on the VendRep System.

Financial: NYS Dept. of State (No Debtors)

Legal Authority: NYS Dept. of State (Legal Business)

Integrity: NYS Dept. of Labor (Not on Debarred List)

Performance: Current Contractor for Supervision Fees (Contract # C000812). No issues.



Workers' Compensation Board

**CERTIFICATE OF
NYS WORKERS' COMPENSATION INSURANCE COVERAGE**

<p>1a. Legal Name & Address of Insured (use street address only)</p> <p>JPAY, Inc. 10981 Mark Way Miramar, FL 33025</p> <p>Work Location of Insured (Only required if coverage is specifically limited to certain locations in New York State, i.e., a Wrap-Up Policy)</p>	<p>1b. Business Telephone Number of Insured (954) 251-3757</p> <p>1c. NYS Unemployment Insurance Employer Registration Number of Insured</p> <p>1d. Federal Employer Identification Number of Insured or Social Security Number</p>
<p>2. Name and Address of Entity Requesting Proof of Coverage (Entity Being Listed as the Certificate Holder)</p> <p>NYS DOCCS, Division of Support Operations / Contract Procurement Unit, The Harriman State Campus 1220 Washington Avenue Albany, NY 12226</p> <p>(954) 862-6912</p>	<p>3a. Name of Insurance Carrier Berkley Regional Insurance Company ✓</p> <p>3b. Policy Number of Entity Listed in Box "1a" TWC 79700898910 ✓</p> <p>3c. Policy effective period 09/09/2016 to 09/09/2017 ✓</p> <p>3d. The Proprietor, Partners or Executive Officers are <input checked="" type="checkbox"/> included. (Only check box if all partners/officers included) <input type="checkbox"/> all excluded or certain partners/officers excluded.</p>

This certifies that the insurance carrier indicated above in box "3" insures the business referenced above in box "1a" for workers' compensation under the New York State Workers' Compensation Law. (To use this form, New York (NY) must be listed under **Item 3A** on the **INFORMATION PAGE** of the workers' compensation insurance policy). The Insurance Carrier or its licensed agent will send this Certificate of Insurance to the entity listed above as the certificate holder in box "2".

Will the carrier notify the certificate holder within 10 days of a policy being cancelled for non-payment of premium or within 30 days if cancelled for any other reason or if the insured is otherwise eliminated from the coverage indicated on this certificate prior to the end of the policy effective period? YES NO

This certificate is issued as a matter of information only and confers no rights upon the certificate holder. This certificate does not amend, extend or alter the coverage afforded by the policy listed, nor does it confer any rights or responsibilities beyond those contained in the referenced policy.

This certificate may be used as evidence of a Workers' Compensation contract of insurance only while the underlying policy is in effect.

Please Note: Upon cancellation of the workers' compensation policy indicated on this form, if the business continues to be named on a permit, license or contract issued by a certificate holder, the business must provide that certificate holder with a new Certificate of Workers' Compensation Coverage or other authorized proof that the business is complying with the mandatory coverage requirements of the New York State Workers' Compensation Law.

Under penalty of perjury, I certify that I am an authorized representative or licensed agent of the insurance carrier referenced above and that the named insured has the coverage as depicted on this form.

Approved by: Miguel Ruiz
(Print name of authorized representative or licensed agent of insurance carrier)

Approved by: [Signature] 8/2/17
(Signature) (Date)

Title: Regional Underwriting Specialist

Telephone Number of authorized representative or licensed agent of insurance carrier: 949-471-6125

Please Note: Only insurance carriers and their licensed agents are authorized to issue Form C-105.2. Insurance brokers are **NOT** authorized to issue it.

Workers' Compensation Law

Section 57. Restriction on issue of permits and the entering into contracts unless compensation is secured.

1. The head of a state or municipal department, board, commission or office authorized or required by law to issue any permit for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, and notwithstanding any general or special statute requiring or authorizing the issue of such permits, shall not issue such permit unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter. Nothing herein, however, shall be construed as creating any liability on the part of such state or municipal department, board, commission or office to pay any compensation to any such employee if so employed.
2. The head of a state or municipal department, board, commission or office authorized or required by law to enter into any contract for or in connection with any work involving the employment of employees in a hazardous employment defined by this chapter, notwithstanding any general or special statute requiring or authorizing any such contract, shall not enter into any such contract unless proof duly subscribed by an insurance carrier is produced in a form satisfactory to the chair, that compensation for all employees has been secured as provided by this chapter.



Re: JPay C161422 WC and DB forms
Michelle Ko to: Henriqueznepaulsingh, Marl J (DOCCS)
Cc: "Gambacorta, David M (DOCCS)", Gregory Knox

08/16/2017 11:58 AM

Good afternoon, Marla,

Could you send me a copy of an actual disability benefit insurance certification? The submitted one is not the appropriate form of certification.

Proof of Disability Benefits Coverage

To comply with coverage provisions of the WCL regarding disability benefits, the Workers' Compensation Board requires that a business seeking to enter into a State contract must submit appropriate proof of coverage to the State contracting entity issuing the contract. For each new contract or contract renewal, the contracting entity must obtain ONE of the following forms from the contractor and submit to OSC to prove the contractor has appropriate disability benefits insurance coverage:

- **Form DB-120.1³** - Certificate of Disability Benefits Insurance; or
- **Form DB-155⁴** - Certificate of Disability Benefits Self-Insurance; or
- **CE-200⁶** - Certificate of Attestation of Exemption from New York State Workers' Compensation and/or Disability Benefits Coverage.

If there are any concerns or questions, please do not hesitate to contact me.

Michelle Y. Ko
Contract Management Specialist II
Bureau of Contracts
NYS Office of State Comptroller
110 State Street, Fl. 11
Albany, NY 12236-0001
mko@osc.state.ny.us
518-473-2401 (Phone)
518-474-8030 (Fax)

For access to state and local government spending, public authority financial data and information on over 130,000 state contracts, visit Open Book New York. The easy-to-use website was created to promote transparency in government and provide taxpayers with better access to financial data.

www.openbooknewyork.com/

"Henriqueznepaulsingh, Marl J (DOCCS)" Good morning Michelle,... 08/16/2017 10:39:14 AM

From: "Henriqueznepaulsingh, Marl J (DOCCS)" <Marl.Henriqueznepaulsingh@doccs.ny.gov>
To: "mko@osc.state.ny.us" <mko@osc.state.ny.us>,
Cc: "Gambacorta, David M (DOCCS)" <David.Gambacorta@doccs.ny.gov>
Date: 08/16/2017 10:39 AM
Subject: JPay C161422 WC and DB forms

Good morning Michelle,

Attached are JPay's Workers Comp and Disability Benefit forms, as well as verification that they have disability benefits coverage.

Please let me know if you require further information.

Thank you,

Marla Henriquez-Nepaulsingh
Contract Management Specialist I

Department of Corrections and Community Supervision
Division of Support Operations / Contract Procurement Unit
The Harriman State Campus, 1220 Washington Avenue, Albany, NY 12226
518-436-7886 x 3125 | marla.henriquez@doccs.ny.gov
www.doccs.ny.gov
www.facebook.com/NYSDOCCS
<https://twitter.com/nysdoccs>

[attachment "JPay Inc. Cert of Ins. NY DI.PDF" deleted by Michelle Ko/MASFS/NYSOSC] [attachment "NY WC.PDF" deleted by Michelle Ko/MASFS/NYSOSC] [attachment "JPay disability confirmation.pdf" deleted by Michelle Ko/MASFS/NYSOSC]

Notice: This communication, including any attachments, is intended solely for the use of the individual or entity to which it is addressed. This communication may contain information that is protected from disclosure under State and/or Federal law. Please notify the sender immediately if you have received this communication in error and delete this email from your system. If you are not the intended recipient, you are requested not to disclose, copy, distribute or take any action in reliance on the contents of this information.



JPay C161422 WC and DB forms
Henriqueznepaulsingh, Marl J (DOCCS)
08/16/2017 10:39 AM

To:

'mko@osc.state.ny.us'

Cc:

"Gambacorta, David M (DOCCS)"

Hide Details

From: "Henriqueznepaulsingh, Marl J (DOCCS)"

<Marl.Henriqueznepaulsingh@doccs.ny.gov>

To: "'mko@osc.state.ny.us'" <mko@osc.state.ny.us>,

Cc: "Gambacorta, David M (DOCCS)" <David.Gambacorta@doccs.ny.gov>

Follow Up:

Normal Priority.

3 Attachments



JPay Inc. Cert of Ins. NY DL.PDF NY WC.PDF JPay disability confirmation.pdf

Good morning Michelle,

Attached are JPay's Workers Comp and Disability Benefit forms, as well as verification that they have disability benefits coverage.

Please let me know if you require further information.

Thank you,

Marla Henriquez-Nepaulsingh
Contract Management Specialist I

Department of Corrections and Community Supervision
Division of Support Operations / Contract Procurement Unit
The Harriman State Campus, 1220 Washington Avenue, Albany, NY 12226
518-436-7886 x 3125 | marla.henriquez@doccs.ny.gov
www.doccs.ny.gov
www.facebook.com/NYSDOCCS
<https://twitter.com/nysdoccs>



**Certificate of Attestation of Exemption
From New York State Workers' Compensation
and/or Disability Benefits Insurance Coverage**

****This form cannot be used to waive the workers' compensation rights or obligations of any party.****

The applicant may use this Certificate of Attestation of Exemption **ONLY** to show a government entity that New York State specific workers' compensation and/or disability benefits insurance is not required. The applicant may **NOT** use this form to show another business or that business's insurance carrier that such insurance is not required.

Please provide this form to the government entity from which you are requesting a permit, license or contract. This Certificate will not be accepted by government officials one year after the date printed on the form.

<p>In the Application of (Legal Entity Name and Address):</p> <p>JPAY INC. 12864 BISCAYNE BLVD STE 243 MIAMI, FL 33181 PHONE: 954-862-6912 FEIN:</p>

<p>Business Applying For: OTHER: PAYMENT COLLECTION FOR NY DOCCS</p> <p>From: NY DOCCS</p>
--

<p>Workers' Compensation Exemption Statement:</p> <p>The above named business is certifying that it is NOT REQUIRED TO OBTAIN NEW YORK STATE SPECIFIC WORKERS' COMPENSATION INSURANCE COVERAGE for the following reason: The out-of-state entity has no NYS employees and/or NYS subcontractors AND ALL work related to the permit, license or contract is done outside of NYS; OR ALL employees are direct employees of a government entity outside of New York.</p>

<p>Disability Benefits Exemption Statement:</p> <p>The above named business is certifying that it is NOT REQUIRED TO OBTAIN NEW YORK STATE STATUTORY DISABILITY BENEFITS INSURANCE COVERAGE for the following reason: The business MUST be either: 1) owned by one individual; OR 2) is a partnership (including LLC, LLP, PLLP, RLLP, or LP) under the laws of New York State and is not a corporation; OR 3) is a one or two person owned corporation, with those individuals owning all of the stock and holding all offices of the corporation (in a two person owned corporation each individual must be an officer and own at least one share of stock); OR 4) is a business with no NYS location. In addition, the business does not require disability benefits coverage at this time since it has not employed one or more individuals on at least 30 days in any calendar year in New York State. (Independent contractors are not considered to be employees under the Disability Benefits Law.)</p>
--

I, SHARI KATZ, am the COMPLIANCE OFFICER with the above-named legal entity. I affirm that due to my position with the above-named business I have the knowledge, information and authority to make this Certificate of Attestation of Exemption. I hereby affirm that the statements made herein are true, that I have not made any materially false statements and I make this Certificate of Attestation of Exemption under the penalties of perjury. I further affirm that I understand that any false statement, representation or concealment will subject me to felony criminal prosecution, including jail and civil liability in accordance with the Workers' Compensation Law and all other New York State laws. By submitting this Certificate of Attestation of Exemption to the government entity listed above I also hereby affirm that if circumstances change so that workers' compensation insurance and/or disability benefits coverage is required, the above-named legal entity will immediately acquire appropriate New York State specific workers' compensation insurance and/or disability benefits coverage and also immediately furnish proof of that coverage on forms approved by the Chair of the Workers' Compensation Board to the government entity listed above.

<p>SIGN HERE</p>	<p>Signature: _____</p>	<p>Date: _____</p>
<p>Exemption Certificate Number 2016-081976</p>	<p>Received December 15, 2016 NYS Workers' Compensation Board</p>	

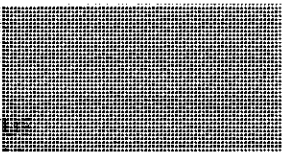
Michelle

Search for 1100116726

Search In Vendor ID

Search

Vendor ID	Vendor Name	TIN	Last Update	Stat
1100116726	JPAY INC	010756761	4/17/2014	A



Name Change

Report ID: NYCA1711

State of New York
Statewide Financial System
VendRep Transmittal Form

Page No: 1
Run Date: 7/21/2017
Run Time: 11:08 AM

Part 1: Transmission by Primary Auditor to VendRep (VR)

Date Printed: 07/21/2017 Total # of Pages Sent to VR: _____ Return Folder To: Michelle K

SetID/BU: SHARE Audit ID: DOC01-C161422-3250226 Amend Seq#: 0

Document Type: PC Audit Type: TBV OSC Received Date: 07/03/2017

Vendor Name: JPAY INC Vendor ID: 1100116726 Payee ID Additional: _____

Amount: 0.00 Contract ID: 000000000000000000028803 Version Number: 1

Primary Auditor: mxk31 Primary Auditor Phone: 518/473-2401 Assigned Team: RFP

Recommendation to VRT: RR - Review Required

Agency Documents Transmitted: Agency Certification _____ # pages Profile _____ # pages

Vendor Documents Transmitted: Questionnaire submitted through VR System Other _____ # pages

Hardcopy Disclosure _____ # pages

Comments: Adverse VRQ info, Not sure if WC/DB certs can be exempt, David Gambacorta, david.gambacorta@doccs.ny.gov, 518-436-7885 ext 3110

Part 2: Completed by VendRep Workflow Coordinator

Date VR Documents Received: _____ VR Auditor Assigned To: NLW

Date Assigned: 7/21/17 Date Due: _____

Level of Review: Partial Initial: lh

Part 3: Completed by VendRep Auditor Upon Completion of Audit

Recommend for Approval Date to VR Approver: 7/31/17 8/8/17

Recommend for Approval with Reservations

Recommend for Non-Approval Initial: ow

Not Reviewed

Need WC+DB certificates for Resubmission

Part 4: Completed by VendRep Approver

VendRep Auditor's Recommendation is: Accepted _____ Rejected Date To WFC: 8/8/17

Report ID: NYCA1711

State of New York
Statewide Financial System
VendRep Transmittal Form

Page No: 2
Run Date: 7/21/2017
Run Time: 11:08 AM

Initial: JK

Part 5: VendRep Workflow Coordinator

Date VR Package Returned to BOC Procurement Record: 8/8/17 Initial: JK

Comments: _____

May 3, 2011

Ronda Miller, Services Purchasing
State of Nevada, Purchasing Division
515 E. Musser Street, Suite 300
Carson City, NV 89701

RE: Cost Proposal in Response to RFP 1901

JPay
Technical
Proposal

Dear Ms. Miller:

JPay Inc. ("JPay") appreciates the opportunity to submit the following Cost Proposal in response to Request for Proposal No. 1901 for Inmate Kiosks. All of JPay's products and services are provided at no cost to the correctional facility; all fees are borne by the inmate or their friends and family members.

If you have any questions, please do not hesitate to contact me. We look forward to hearing from you.

Sincerely,



Errol Feldman
JPay Inc.
12864 Biscayne Blvd. Suite 243
Miami, FL 33181
Tel: 305.577.5543
Fax: 305.893.8985
Email: efeldman@ipay.com



3.2.1.2 Inmate Banking Fees

(Paid by friend or family member transferring funds)

Sending Money With a Credit/Debit Card		
Deposit Amount	Internet Fee	Phone Fee
\$0.01 - \$20.00	\$3.95	\$4.95
\$20.01 - \$100.00	\$6.95	\$7.95
\$100.01 - \$200.00	\$8.95	\$9.95
\$200.01 - \$300.00	\$10.95	\$11.95

Sending Cash at a Walk-In Retail Location	
Deposit Amount	JPay Fee
\$0.01 - \$5,000.00	\$5.00 to \$8.95*

*Depends on In-Person Location

Sending Money at a Lobby Kiosk		
Deposit Amount	Cash Fee	Credit/Debit Card Fee
\$0.01 - \$100.00	\$3.00	\$6.95

Sending Money Order via Lockbox	
Deposit Amount	JPay Fee
\$0.01 - \$1,000.00	Free

1. COVER LETTER

Ronda Miller, Services Purchasing
State of Nevada, Purchasing Division
515 E. Musser Street, Suite 300
Carson City, NV 89701

May 3, 2011

RE: RFP 1901, Inmate Kiosks

Dear Ms. Miller:

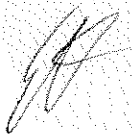
JPay Inc. ("JPay") is pleased to submit this response to Request for Proposal No. 1901 for Inmate Kiosks ("RFP") on behalf of the members of the National Association of State Procurement Officials and the Multi-State Corrections Procurement Alliance (referred to collectively as the "DOC").

The JPay team has carefully reviewed the RFP and believes that we can meet and often exceed the requirements set forth in the RFP to provide a holistic inmate kiosk solution for automating everyday inmate services.

By selecting JPay, the DOC will be partnering with a company that is in full control of its product – from design to development to implementation. JPay's products are built and maintained by JPay employees who take tremendous pride in their work. As a team, we are excited to offer these services to the DOC.

The enclosed Technical Proposal has been provided to all requesting State Evaluators.

Sincerely,



Errol Feldman
12864 Biscayne Blvd. Suite 243
Miami, FL 33181
Tel: 305.577.5543
Fax: 305.893.8985
Email: efeldman@jpay.com

2. EXECUTIVE SUMMARY

JPay Inc. appreciates the opportunity to submit our proposed solution to the State of Nevada Purchasing Division on behalf of National Association of State Procurement Officials (NASPO) and the Multi-State Corrections Procurement Alliance (MCPA) Request for Proposal No.1901 for Inmate Kiosks.

JPay is not a commissary company nor is it an inmate telephone company. We are a software company focused on building and delivering innovative inmate service applications. We believe these applications are a separate category of products that traditional correctional companies can only attempt to deliver.

JPay's turnkey kiosk applications, designed developed and maintained in house, include digital music delivery, Internet video visitation, inmate banking, inmate email, commissary ordering and other various custom applications requested over time by our correctional partners. Each application is available on the inmate kiosk which is available in every housing unit, eliminating the need to move inmates and increasing inmate adoption exponentially.

Today, JPay contracts with over 21 state correctional agencies and numerous county jails and private prison operators. This translates to a footprint of over 1.2 million inmates, half the nation's inmate population. By providing exceptional customer service and a superior product, the company continues to be the first choice for correction personnel, inmates and their friends and family.

JPay is eager for the opportunity to provide its services for the DOC.

Why JPay

A better model...

- *At least one kiosk is installed in each housing unit at every facility*
- *Each inmate application is available on every single kiosk*
- *Every inmate at all custody levels has access to the services*

The difference: an exponentially higher adoption rate

3. SCOPE OF WORK

3.1 KIOSKS

3.1.1 Kiosk Solutions

3.1.1.1 Turnkey Kiosks - all hardware and software necessary to provide any related services the vendor provides.

The JPay Team has read, understands and agrees to comply.

3.1.1.2 Stand Alone Kiosk - all hardware and software necessary to provide unattended transaction processing of applications.

The JPay Team has read, understands and agrees to comply.

3.1.1.3 Outside Kiosk - located outside and be able to withstand weather and the elements; rain, snow, wind, sun, etc. Kiosks should withstand temperatures from -20 degrees to 110 degrees with up to 100% humidity.

The JPay Team has read, understands and agrees to comply.

3.1.1.4 Hardware Only Kiosk - all related hardware as needed to implement kiosk solution. Kiosk should contain a touch screen; however, a durable security centered keyboard will also be considered especially supporting disabled inmates who could not access the kiosks.

The JPay Team has read, understands and agrees to comply.

3.1.2 Kiosk Enclosure

The successful vendor shall provide a kiosk design to be of standalone style for inside/outside locations. The kiosk enclosure/housing needs to be self contained, rugged and secure. No crevices that can enable inmates to damage or spill into the enclosure and damage the kiosk. This requirement is not mandatory and will be determined by the type of kiosk proposed. If there are no enclosures, vendors are to explain in detail the plan for mounting and security of the hardware.

The JPay Team has read, understands and agrees to comply.

Inmate kiosks, whether indoor or outdoor, are built solely for correction environments with a security first approach. The kiosks are enclosed with a steel case and security screws, making them virtually impossible to break into. Both kiosks have a 17" LCD monitor mounted behind 1/4" security tempered glass. The embedded keyboard is vandal resistant and spill proof and the impact resistant track ball is made of stainless steel. The kiosk also features a protected web camera and phone handset with armored cable. Outdoor kiosks are protected from the elements with a cooling and heating system that protects the various hardened components.

Kiosk enclosures may, but not limited to the following:

3.1.2.1 Heavy duty locking mechanisms, hinges, door mechanisms capable of resisting inmate tampering and vandalism.

The JPay Team has read, understands and agrees to comply.

3.1.2.2 Hardware must be contained in the kiosk enclosure.

The JPay Team has read, understands and agrees to comply.

3.1.2.3 The kiosk should have the ability to be anchored to the floor and or the wall. The vendor shall ensure that each kiosk can be easily unsecured from the floor or the wall by authorized personnel.

The JPay Team has read, understands and agrees to comply.

3.1.2.4 The kiosk enclosure must be of a neutral color and easily cleaned.

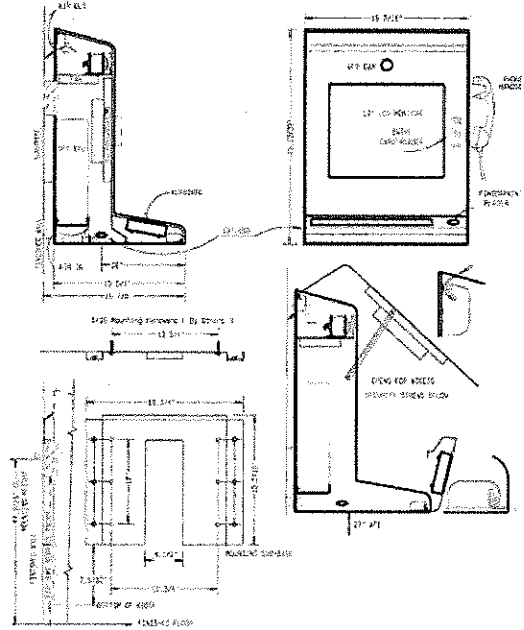
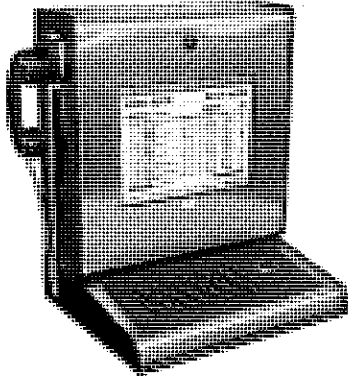
The JPay Team has read, understands and agrees to comply.

3.1.2.5 The kiosk shall not bear company names or logos.

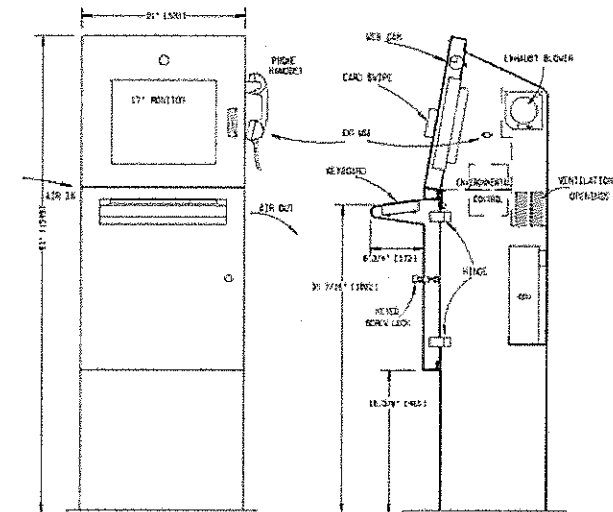
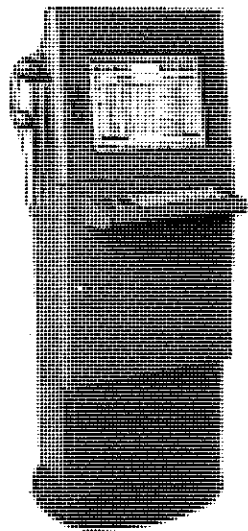
The JPay Team has read, understands and agrees to comply.

3.1.2.6 Pictures, artist renderings and drawings of the proposed kiosk design shall be included with the proposal.

Inmate Kiosk - Indoor



Inmate Kiosk - Outdoor



3.1.2.7 Vendor must ensure that battery-backed alarms with detectors on all openings are implemented where entry might be forced. Kiosk alarms must be:

The JPay Team has read, understands and agrees to comply.

Manually set to ring for a period of time with shrill alarm;

The JPay Team has read, understands and agrees to comply.

Capable of activation/deactivation at a remote location designated by the institution; and

The JPay Team has read, understands and agrees to comply.

Proven not to provide false signaling regarding remote alarm.

The JPay Team has read, understands and agrees to comply.

JPay runs a Network Operations Center ("NOC") and a set of deployment mechanisms that allow JPay to remotely disable or reboot a kiosk or any other hardware JPay deploys to provide the services.

3.1.2.8 Kiosks must have sealed opening(s) for power and phone lines as needed.

The JPay Team has read, understands and agrees to comply.

3.1.2.9 Kiosks have adequate ventilation to include fans if needed for components.

The JPay Team has read, understands and agrees to comply.

3.2 TECHNICAL ENVIRONMENT

3.2.1 Kiosk Applications

At a minimum, the operating system/applications should allow the Participating States DOC the ability to modify. Vendor shall ensure each kiosk is maintained on the most current version of the vendor's systems of operation, with no more than two versions at any one-time across all kiosks.

The JPay Team has read, understands and agrees to comply.

The kiosk uses a Dell PC and runs on Microsoft© Windows XP. Each application is built solely to run on this platform. If modifications are necessary for any participating state, JPay will configure its product to meet the DOC's needs.

Vendor shall provide the method of insuring inmate ID security. Methods could include fingerprint scan, or other biometric possibilities, ID card scanning (magnetic or barcode), and or voice options.

The JPay Team has read, understands and agrees to comply.

Each JPay kiosk is equipped with a swipe card reader. To access the kiosk, inmates must swipe their ID and then enter their username and password. All inmates must register before using the kiosk. Upon initial log in, JPay's system provides the inmate with a unique password. Inmates are then required to change their password, and have an option to reset their passwords if forgotten.

JPay can also install fingerprint scanners on each kiosk and develop a fingerprint registration process that will ensure the highest levels of accessibility to the kiosk. However, the standard method for accessing the kiosk today is via a card swipe as described above.

3.2.1.1 Email/Secure Messaging

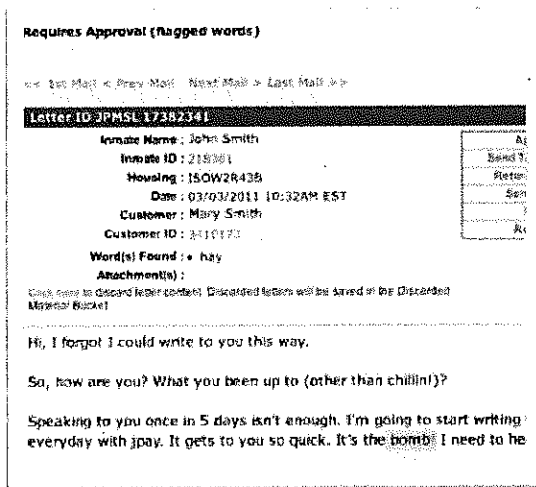
Incoming/outgoing is screened by the system using keyword search before download is allowed. Keyword screening would evaluate risk level of e-mail. Unacceptable or questionable (moderate to high risk) e-mail is held or staged at a central location computer for DOC approval before it is available for offender delivery or download. At minimum; Keyword search may be edited at any time. Offender email must be storable by vendor or transferrable to DOC Storage.

The JPay Team has read, understands and agrees to comply.

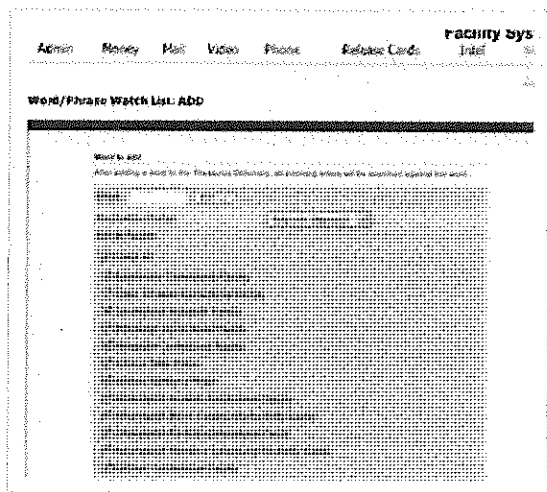
Over the years, JPay's security-driven eMessaging system has grown to become the most feature-rich and widely adopted inmate email system in corrections. Today, JPay provides eMessaging to 15 state prison systems across the country including the Texas Department of Criminal Justice, the largest correctional client in the country.

The service provides unparalleled security and intelligence capabilities and enhances the work of investigative personnel, making for safer and better-run facilities. DOC staff access the eMessaging program through JPay's secure web portal, called the Facility System. This site can be accessed from any computer or mobile device connected to the Internet.

The process begins with the screening process:



When a customer or inmate sends an eMessage, it is automatically scanned and categorized according to rules put in place by the DOC. The DOC can pre-populate watch lists with words, key phrases or character strings that flag and restrict the letter from being sent until it is reviewed. In addition, if an eMessage contains an attachment (or more than one) it is flagged and forced to be viewed before it is sent to the recipient.



Staff manages the word dictionary and the user watch lists. All changes to the dictionaries and user lists occur in real time and are populated to the entire user base immediately. Entire dictionaries, single words or phrases, suspicious inmates or customers can all be shared with each facility or transferred to one region or one facility.

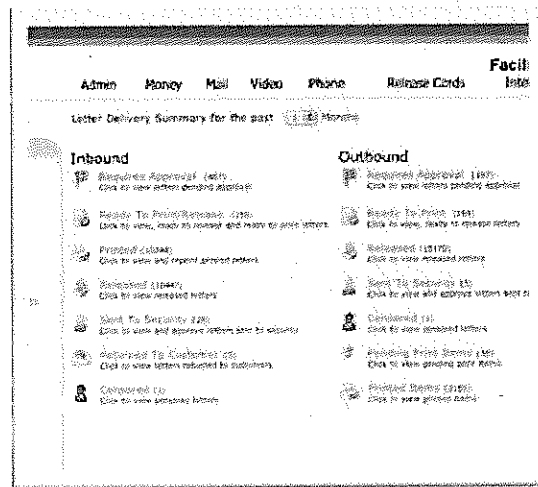
All eMessages are stored in a secure database and available on JPay's Facility System. Historical eMessages are available on the Facility System for 3 years and maintained offline indefinitely thereafter. If data is offline, DOC staff simply requests the information and JPay will deliver it within one to two business days.

3.2.1.1.1 Email services, including, restrictions of senders/receivers, and keyword search capabilities on both incoming and outgoing messages. Please give your ability to provide the above.

The JPay Team has read, understands and agrees to comply.

eMessages containing words, senders or recipients on a watch list are categorized according to their content as described above. Once an eMessage is flagged, it is held in a pending message box and cannot be distributed to the inmate until it is approved by the DOC. For security purposes, all eMessages containing an attachment are automatically held until manually approved. If an eMessage goes through the screening process and is not flagged by a watch list, the eMessage sits in

a "Ready to Deliver" message box until it is released to the inmate.



Examples of why an eMessage would be flagged and require review:

- Flagged by word dictionary
- Flagged by inmate or sender watch list
- Contains an attachment

The DOC user can either release the eMessage to the recipient or request additional review. In addition, the eMessage or attachment can be indefinitely detained, returned to sender or discarded entirely. The DOC even has the option to notify the sender if the eMessage was discarded.

If only part of an eMessage contains inappropriate content, the DOC can discard the attachment or content and release the remaining portion of the eMessage to the inmate. Although material is discarded, it is stored in JPay's system indefinitely and can be accessed by the DOC anytime.

Individual customers and inmates considered to be abusing their privilege of eMessaging can be restricted from using the service.

3.2.1.1.2 Capability for the DOC to manage email approvals at either an institution level as well as a state level.

The JPay Team has read, understands and agrees to comply.

Different levels of access can be granted to Facility System users based on their role in the institution or central office. Permissions range from per facility, region or system-wide. "Superusers" have access to all facilities for example, while facility users may only access their facility's data.

A DOC user can look up an eMessage's history to view all actions related to the message. This function lets supervisors audit mailroom staff. If an eMessage is mistakenly approved, the mailroom supervisor can view the message's history and identify which staff member approved it. Without this audit trail, it would be virtually impossible to maintain a securely run eMessaging system.

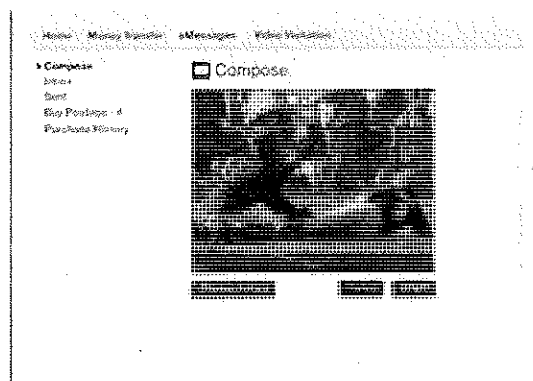
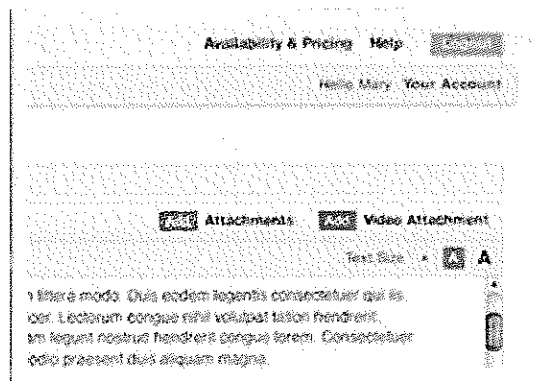
Mail History		
Total record(s) found 10		
	Date	Action
	04/13/2010 11:15AM EST	Censored
	04/13/2010 11:11AM EST	Printed
	04/13/2010 11:11AM EST	Delayed Released
	04/13/2010 11:09AM EST	Pulled Out
	04/13/2010 11:09AM EST	Printed
	04/13/2010 11:09AM EST	Delayed Released
	04/13/2010 11:06AM EST	Internal Print
	04/13/2010 11:02AM EST	Approved
	04/12/2010 12:36PM EST	Flagged By Word
	04/12/2010 12:37PM EST	Created

Please enter the number of records you want to view on this page 10

All eMessages are tracked and each action is recorded. eMessage history is available for every message and attachment that is processed in the system and each transaction can be clearly identified.

3.2.1.1.3 Systems ability for the email to include photos. System to allow for separate view of photos from messages and the ability to reject/accept any combination of those.

The JPAY Team has read, understands and agrees to comply.



Family and friends can attach digital pictures to their eMessages. Each picture costs one additional stamp. The DOC can limit the number of picture attachments that can be sent with an eMessage.



A recent addition to the eMessaging suite is the VideoGram feature. Family and friends can record 30 second VideoGrams and send them as an attachment. The inmate can then view the short video message on the kiosk and also view it anytime by saving it in the eMessage inbox.

In addition, photos can be taken of the inmate from the kiosk's web cam and be sent as a photo attachment back to the sender. This is a feature that can be turned on or off by the DOC on a facility, regional or state-wide basis.

3.2.1.1.4 Estimated impact of email/messaging on the DOC network.

The JPay Team has read, understands and agrees to comply.

If JPay installs its own network, the eMessaging program will have no impact on DOC resources. If JPay uses a DOC network, the system is very lightweight on bandwidth (approximately 32Kbps).

3.2.1.1.5 Provide a plan for data lines should capabilities at the institutions be limited as a result of this implementation.

The JPay Team has read, understands and agrees to comply.

JPay's network will not interfere with the DOC's capabilities. For states which let JPay use their data lines, JPay commits to installing additional data lines to increase bandwidth where necessary.

3.2.1.1.6 Internet access/direct e-mail reply is not allowed within the Nevada Department of Corrections. Vendor to detail how this could be managed with their systems.

The JPay Team has read, understands and agrees to comply.

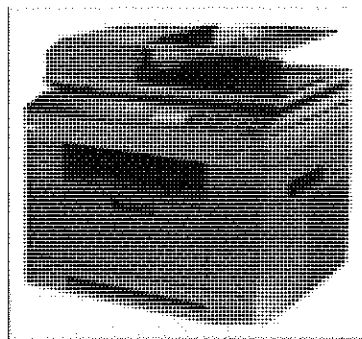
JPay's system operates on a "opt in" basis. The system was designed so that inmates can only send messages to individuals who have previously sent them an eMessage. All outbound eMessages are screened according to the security measures detailed above.

3.2.1.1.7 Vendor to propose both viewing and printing options available for the proposed kiosk.

The JPay Team has read, understands and agrees to comply.

Once a message is approved by the DOC and released to the inmate, the message is immediately available for viewing in the inmate's inbox. By logging into the inmate's account on the kiosk, the inmate can view the message on the kiosk at any time.

For printing, JPay provides printers for facility mailrooms so inmates have the option to request a printout of any eMessage or attachment for a fee. This option exists everywhere JPay has its eMessage system deployed and it is a good feature that keeps inmates engaged in the service.



Printer Specifications include:

- Dell 2335dn laser printer
- Print Speed Up to 35 PPM
- 600 x 600 dpi resolution

3.2.1.2 Inmate Banking - Many of the DOC's currently have a system to accept electronic funds transfers. If available, vendors shall provide their capability and system to provide Electronic Funds Transfer. The vendor must outline the process for verification via all methods, such as debit card, credit card, or money order.

The JPay Team has read, understands and agrees to comply.

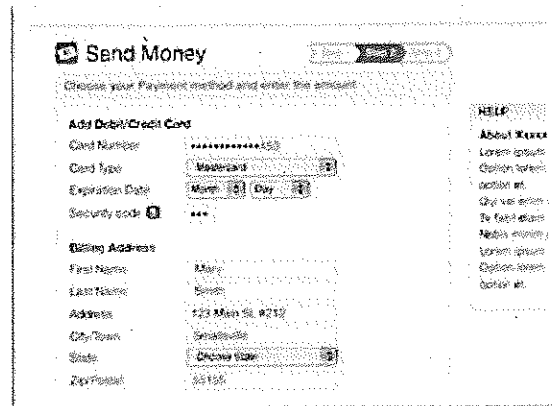
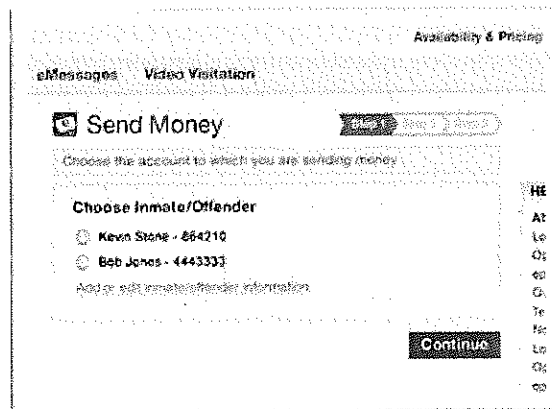
JPay is the most widely accepted form of deposit in the corrections space. The company provides electronic funds transfers for 21 DOCs including the Nevada Department of Corrections, Virginia Department of Corrections and a host of other agencies. For each of these clients, JPay consistently retains the highest levels of market share, hands down. In fact, the Nevada Department of Corrections decided to discontinue using JPay's competitors as they failed to meet the service levels provided by JPay. Today JPay is the only electronic method for processing NDOC transactions. JPay has several state DOCs using this service to collect all electronic funds transfers and hopes to convert the DOC into a cashless operation.

The service allows customers to make electronic deposits directed to inmate trust accounts, offender restitution accounts and inmate telephone accounts. The service automates a traditionally cumbersome process for any Department of Correction or private prison operator.

JPay spends a tremendous amount of effort in making sure each electronic funds transfer option is user friendly, affordable and convenient. This has always been the key to JPay's success. A deposit can be made from any of the following channels:

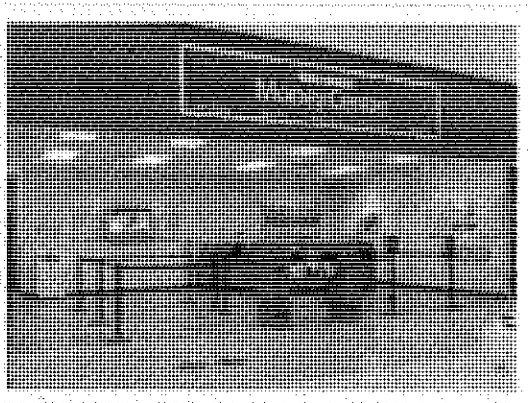
- JPay.com Website
- MoneyGram™ Walk-In Retail locations
- iPhone® and Android® Apps
- Full Service Lobby Kiosks
- In-House Call Center
- Automated Lockbox

JPay.com Website



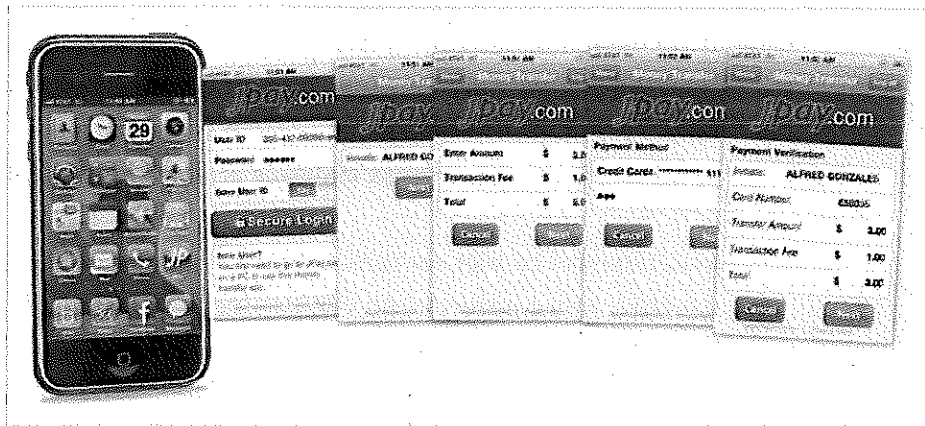
JPay.com, designed specifically to accept inmate deposits, is fast, easy to use and has maintained 99% uptime for over 8 years. The site accepts Visa and MasterCard credit and debit cards and many alternate forms of prepaid and gift cards.

MoneyGram™ Walk-In Retail Locations



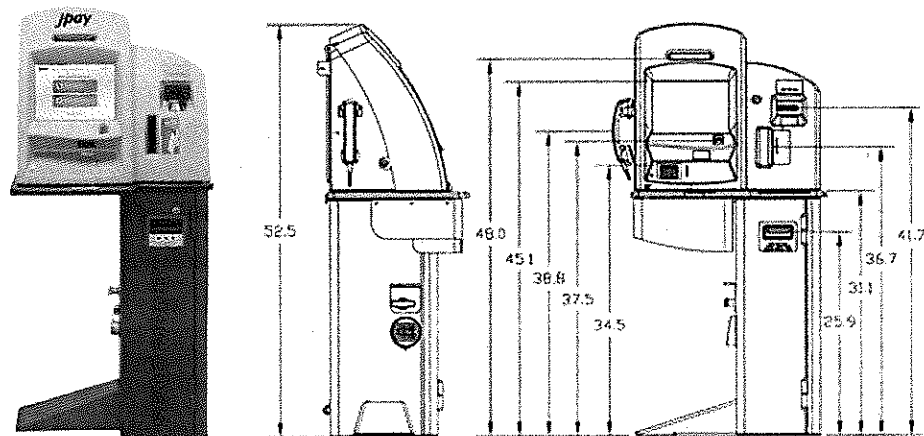
JPay is the only electronic funds transfer provider in the corrections market with an exclusive relationship with MoneyGram Payment Systems™. Today, a significant portion of cash deposits for inmates come from a MoneyGram location. Friends and family can walk into any of MoneyGram's 30,000 retail locations in the United States to make an inmate deposit in real time. This integration allows the agent to verify inmate information on the spot.

iPhone® and Android® Apps



JPay has developed applications allowing customers on the go to make deposits without having to use a personal computer. Deposits are made on either application – the iPhone or the Android app (coming in Spring 2011), with a credit/debit card, and similar to the JPay website, deposit and inmate information is verified in real-time. The iPhone app, newly launched, has proven to be an immediate success and customer adoption rates are soaring. All eyes are on the growth of these new payment avenues.

Full Service Lobby Kiosks



JPay's kiosk solution provides the DOC with the ability to collect cash and credit/debit card deposits in the lobbies of well-trafficked visitation facilities. Kiosks are monitored and maintained to always be available for a customer to make a deposit. The kiosk interface is user-friendly and simple to use.

Maintenance, courier services and customer service is provided at no cost to the DOC. JPay contracts with industry-leading armored courier services (such as Brinks®) to collect cash from the kiosk. Pickups are scheduled and determined by kiosk usage. No facility interaction is required for the courier to access the kiosk.

In-House Call Center

By calling toll-free, customers can make credit and debit card payments from a bilingual live agent or via JPay’s updated Interactive Voice Response (IVR) system. JPay agents are available to accept phone calls as well as emails 24 hours a day, 7 days a week. The call center accepts Visa and MasterCard credit and debit cards and many alternate forms of prepaid cards.

Automated Lockbox Services

JPay can also offer the DOC a fully outsourced money order processing solution at no cost. JPay can collect and process all money orders, cashier’s checks, and governmental checks for inmate deposits. A unique advantage of using JPay’s lockbox is that all money order data is available on JPay’s system along with all other electronic deposits – giving the DOC a complete picture of all deposits. All lockbox deposits are processed in accordance with each DOC’s policies and procedures.

Online Facility Management

The screenshot displays the 'Facility System Login' and 'Facility System Reports' sections. The login section includes fields for Customer Username, Pin Code, and Password, along with a 'log-in' button. The reports section shows a table of deposit data.

Transfers	Amounts	Report	Receipts
521	\$40,016.91	[View]	[View]
710	\$53,229.12	[View]	[View]
119	\$50,251.60	[View]	[View]
865	\$25,031.25	[View]	[View]
433	\$29,379.46	[View]	[View]
458	\$35,906.35	[View]	[View]
27	\$31,047.40	[View]	[View]
802	\$35,149.25	[View]	[View]

Central office banking staff and facility accountants use the online Facility System to look up deposits, reconcile deposit batches to funds received, help inmate friends and family with transactions and generate reports. Users can easily discover if the transaction was a cash or credit card transaction.

Users can view all deposits on the Facility System by batch, facility, date, inmate and/or customer. Staff can view detailed transaction data including information on the customer, inmate, transaction and much more.

Inmate Information

Inmate ID: 123863
 Name: LAURENCE SPURLOCK
 Location: RTE
 Facility: Indiana State Prison System

Deposits

Page 1 of 1

Date	Location	TransID	CustomerID	Customer	Amount	Type	Batch
12/02/2010	RTE	17118512	1009910	SPURLOCK	\$200.00	MONEYGRAM	01070
11/02/2010	RTE	10761515	1009910	SPURLOCK	\$100.00	MONEYGRAM	01070
10/15/2010	RTE	10077510	1009910	SPURLOCK	\$100.00	MONEYGRAM	01070
09/02/2010	RTE	10099997	1009910	SPURLOCK	\$50.00	MONEYGRAM	01070
08/04/2010	RTE	10046277	1009910	SPURLOCK	\$150.00	MONEYGRAM	01070

Letters Received

Page 1 of 1

Date	Location	TransID	CustomerID	Customer	Amount	Type	Batch
12/02/2010	RTE	17118512	1009910	SPURLOCK	\$200.00	MONEYGRAM	01070

The user can also look up customer and inmate transaction history, and even tie it into their eMessaging history. This allows the user to look up an inmate or inmate's transactional history and find it in one place. Hours of research are saved with this interface.

Recap Report

Please choose a month to view its report.

	Transfers	Amount	Transferred
3/2011	1817	\$135,864.04	\$135,864.04
2/2011	15069	\$1,095,692.07	\$1,095,692.07
1/2011	13805	\$864,159.17	\$864,159.17
12/2010	14625	\$934,314.56	\$934,314.56
11/2010	13453	\$844,103.76	\$844,103.76
10/2010	14232	\$878,822.90	\$878,822.90
9/2010	13360	\$813,307.22	\$813,307.22
8/2010	13115	\$801,010.00	\$801,010.00

Staff can generate reports from the Facility System and choose to print them or export them to Microsoft Excel or Word. Reports include:

- Monthly batch report (all transactions processed for the month)

- Monthly reconciliation report (details all ACH activity)
- Customer and inmate activity reports

NOTE: Vendors that accept credit cards must specify that they meet all card requirements for the processing of transactions. Nonpayment of credit card transactions will not be the responsibility of the DOC.

The JPay Team has read, understands and agrees to comply.

JPay is fully compliant with all federal and state money transmitter statutes, anti-money laundering regulations, Office of Foreign Assets Control (OFAC) and Payment Card Industry (PCI) Data Security Standards. JPay is one of the few companies in the United States able to remit electronic payments to correction agencies under the auspices of money transmitter regulations. Compliance with these regulations is not only required in the industry but essential to meeting agency and customer expectations.

JPay guarantees all payments and is responsible for any credit card disputes, charge backs, reversals or Non-Sufficient Fund items. In addition, JPay takes several proactive steps to ensure payment validity prior to accepting payments. The DOC will never be held responsible for fraudulent or mistaken charges.

3.2.1.2.1 Exchange data with the DOC Inmate Banking System: including but not limited to bank balances and transaction information. Vendor to describe any limitations to the information can be presented to the inmate through the Kiosk.

The JPay Team has read, understands and agrees to comply.

Inmate and deposit information can be exchanged daily with any of the participating DOCs in this solicitation. JPay interfaces with numerous agencies and their trust account or offender management systems, including Cashless Systems, the Nevada DOC's current vendor. The interface is extremely simple and requires minimal resources to accomplish, especially with JPay's guidance.

Each day, JPay will receive an inmate data file from the DOC via File Transfer Protocol (SFTP or FTP) consisting of all relevant data for inmate identification such as the inmate's name, ID number, housing location and account balance. Towards the close of each day, JPay sends the DOC a batch file detailing the day's deposits. The deposits are automatically loaded to the individual inmate accounts.

All funds corresponding to the day's batch are remitted to the DOC's bank via an ACH credit every banking day according to the following schedule:

- B** = Deposits received and Batch uploaded to trust accounting system
- R** = Funds Received in DOC's bank account

Fri	Sat	Sun	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Mon
B				R						
	B			R						
		B		R						
			B	R						
				R		B				
					B		R			
						B				R

3.2.1.2.2 Kiosks installed in the visitation area shall be limited to deposits only and to include cash, checks, and credit cards.

The JPay Team has read, understands and agrees to comply.

JPay's can provide the DOC with a kiosk to collect cash and credit/debit card deposits in a facility's visitation area. In order to ensure payment validity, lobby kiosks do not accept checks.

3.2.1.2.3 Enforce ability to maintain minimum and maximum deposit levels. Machine to have the ability to print deposit receipts.

The JPay Team has read, understands and agrees to comply.

JPay has the ability to maintain minimum and maximum deposit amounts for each payment method. JPay already has established minimum and maximum deposit limits for each payment method but welcomes the opportunity to work with a DOC in establishing different limits. In most states for example, JPay sets the website and call center maximum payment amount to \$300.00 although the Nevada DOC allows \$500.00 for its Holiday and Gift Program.

The kiosk machine can print a receipt after each transaction.

3.2.1.2.4 Describe security features that insure accurate deposits, i.e., wrong account numbers.

The JPay Team has read, understands and agrees to comply.

JPay has a sophisticated system of screening, including suspicious IP address detection and credit card transactional behavior monitoring. For credit/debit card transactions, the customer's information must match the information the issuing bank has on file or the transaction will not be approved.

3.2.1.2.5 Security - Provide the method of insuring inmate ID security. Vendors to provide their ability to provide bio-metrics, magnetic card readers, or other forms of security.

The JPay Team has read, understands and agrees to comply.

All deposits made through the JPay system, whether through the kiosk, website or otherwise, will only be successful if the inmate is verified on the inmate file.

All deposit kiosks come equipped with a swipe card reader. To make a deposit, the customer must swipe their ID or credit/debit card. This allows JPay to verify the customer at the kiosk.

3.2.1.3 Inmate Grievances

Vendor to provide internal document routing between inmate kiosk and DOC staff. If this currently does not exist, is there potential for future expansion in this area?

The JPay Team has read, understands and agrees to comply.

JPay has developed a basic framework for an electronic grievance system that is ready to be customized to meet a DOC's needs. In fact, the company is actively seeking a DOC (or group of DOCs) who will partner with the JPay to develop a robust end-to-end grievance system.

The system lets inmates submit electronic grievances on the kiosk. Grievances are processed and tracked by DOC staff using the Facility System. Users can respond to grievances electronically for inmate viewing on the kiosk. All grievances can be looked up on the Facility System by inmate, date or type of grievance.

3.2.1.4 Ability to Translate Information

- *Spanish/English-English/Spanish;*
- *Translate Applications/Information from English to other languages.*

The JPay Team has read, understands and agrees to comply.

All screens on JPay's inmate kiosks are available in English and Spanish. All eMessages reviewed on the Facility System can be translated from Spanish (and a myriad of other languages) to English with the click of a button.

In addition, all ads and information campaigns are produced in English and Spanish. JPay's call center has many bilingual agents who are always available to service the Spanish market segment.

3.2.1.5 Inmates Commissary

3.2.1.5.1 Ordering commissary items directly through the kiosk.

The JPay Team has read, understands and agrees to comply.

JPay's commissary ordering system, another application that resides on the inmate kiosk, allows inmates to browse and order commissary items using a shopping cart mechanism. Once an interface is developed with the commissary provider JPay can receive real-time inventory, pricing, pictures, fulfillment and shipment information as well as ordering deadlines. Up-to-date information on commissary items will be viewable on the kiosk including the item ID, code, category, price, description and picture.

To order, the inmate places the order using a shopping cart application. All information on an item received from the DOC's existing commissary system will be displayed to the inmate. This serves as an excellent reintegration tool as it teaches the inmate how to browse and complete

purchases. Once the order is submitted, it is queued with all pending orders on the JPay server. The inmate can update or modify the order at any time up until the cutoff time for submitting orders. Once the orders are submitted, they are batch processed and sent to fulfillment.

Behind the scenes, a file with all orders is sent to the commissary vendor for fulfillment. The file contains inmate information (name, ID and, facility, bed assignment, housing location), the date of the order, the order number and the items in the order. Once the order is filled, notifications can be sent to the inmates.

DOC users can manage and control inventory from the Facility System. The system automatically updates the database when items are out of stock or replenished, or if there is a price change or recall. In addition, the system allows DOC staff to limit items based on facility or agency restrictions. For example, if an inmate is diabetic he/she would be unable to order a candy bar without approval.

3.2.1.5.2 Provide holiday or package program orders for the inmates.

The JPay Team has read, understands and agrees to comply.

JPay has already developed a customized Holiday and Gift Program payment system for the Nevada DOC. Holiday and gift payments are handled differently due to the Nevada DOC's policy of waiving restitution fees against these payments. These payments are also offered seasonally and can be subject to higher transaction maximums.

JPay can also provide holiday or package program orders directly from inmate family and friends or on the kiosk for inmate ordering.

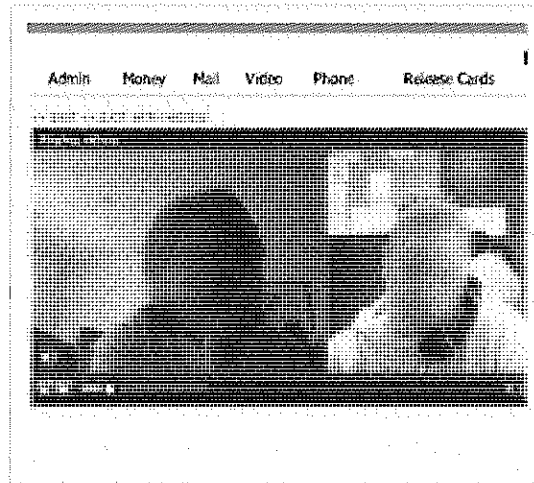
3.2.1.5.3 Interface purchases with the inmate banking system.

The JPay Team has read, understands and agrees to comply.

JPay develops an interface with the inmate banking system in order to retrieve inmate account balances and debit the accounts for purchases. This data exchange can be performed in real time or via FTP.

3.2.1.6 Video Visitation

The JPay Team has read, understands and agrees to comply.



All inmate kiosks come equipped with a camera and phone handset to facilitate JPay's proprietary Internet video visitation application. This service ensures the widest possible access between inmates and friends and family and reduces foot traffic at the facilities. The program has proven to reduce physical visits, decrease the influx of contraband and reduce inmate movement within a facility. To participate, visitors, from home, access the JPay website from a personal computer equipped with a web camera/microphone or visitation. No additional software is required.

The JPay website gives customers the ability to test their connectivity to the video visitation system before engaging in a video visit with an inmate. This feature is free and has proven essential in ensuring the parties will enjoy their video visit without any connectivity issues.

Here is how it works:

1. Customer uses www.JPay.com to schedule and pay for a session.
2. Inmate's availability is checked against location and custody level.
3. The system verifies availability of kiosks within a unit.
4. Inmates are notified via an eMessage when a session is scheduled.

5. The system connects both parties at the scheduled time for the session.

All sessions are recorded and available to DOC staff on the Facility System. In addition, DOC staff can monitor all sessions in real time. Staff has the ability to disable any visit for any reason.

3.2.1.6.1 Requirements for data transfer for video visitation.

The JPay Team has read, understands and agrees to comply.

Video visitation uses Flash Media Server technology and does not require a PBX, audio equipment, or any hardware at the DOC other than JPay's inmate kiosk.

3.2.1.6.2 Estimated impact of video visitation on the DOC network.

The JPay Team has read, understands and agrees to comply.

The anticipated bandwidth consumption per inmate kiosk is 128Kbps.

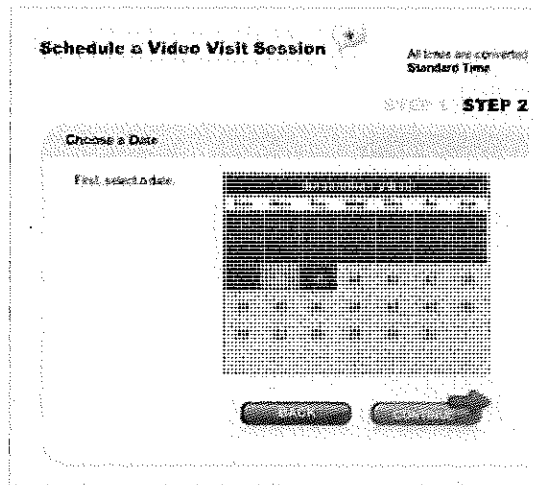
3.2.1.6.3 A plan for data lines should capabilities at the institutions be limited as a result of this implementation.

The JPay Team has read, understands and agrees to comply.

JPay's network will not interfere with the DOC's capabilities. For states which let JPay use their data lines, JPay will be responsible for installing additional data lines to increase bandwidth wherever permitted.

3.2.1.6.4 Vendor to propose recommended visitation time constraints.

The JPay Team has read, understands and agrees to comply.



Facility System users have the ability to set time constraints and limit the length of each session. As DOCs restrict visits from being scheduled during meals or mandatory cell count times, customers will only be allowed to request a video visit when the inmate is available.

3.2.1.7 Inmate Scheduling

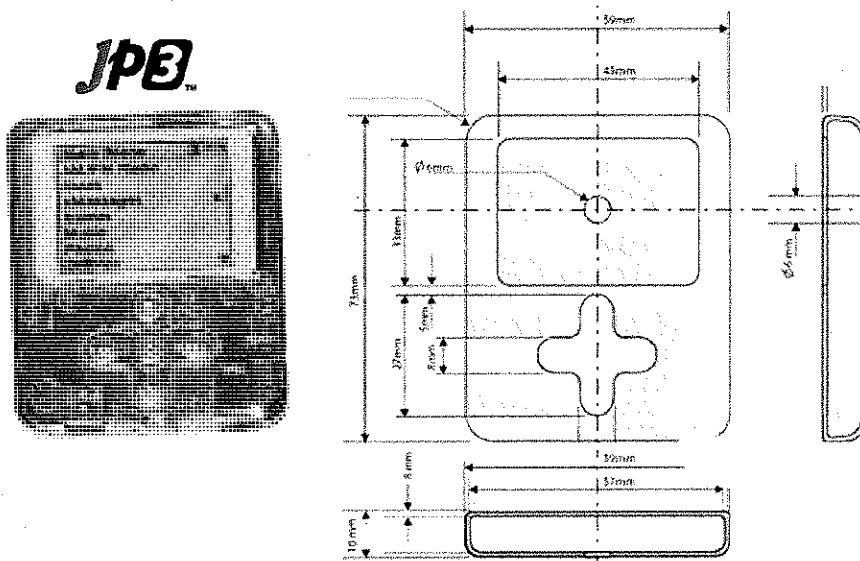
Vendor to provide any scheduling capabilities i.e. inmate medical appointment scheduling.

The JPay Team has read, understands and agrees to comply.

In addition to customizing a solution for inmate grievances, JPay also desires to custom build a scheduling application that allows inmates to schedule medical or any other appointments that the DOC desires. Since kiosk calendars are managed on JPay's system, it's a logical next step to have a scheduling and calendar application for inmates.

3.2.1.8 MP3 – Download / Purchasing of Music

The JPay Team has read, understands and agrees to comply.



The inmate kiosk has a custom music store application that lets inmates preview, purchase and download music and media onto a corrections grade MP3 player - the JP3™ player.

This application has been recently introduced to the market and is currently deployed in facilities in the Washington, Georgia and Pennsylvania Department of Corrections. The new service has been a resounding success. The model of putting multiple kiosks in each facility has proven to sell far more songs per inmate and has more adoption per facility making it the absolute best choice for any agency.

Vendor must be able to customize music catalog for approval by institutions by State.

- The JPay Team has read, understands and agrees to comply.

Each DOC is able to modify the availability of different genres/songs from the music catalog (i.e. not allow music with explicit lyrics or parental advisories). This feature is available to DOC users on the Facility System.

3.2.1.8.1 Ability to download with and without direct access to the internet;

- The JPay Team has read, understands and agrees to comply.

JPay provides inmates the ability to browse the music store, preview songs and purchase music on the kiosk. Once the purchases are approved, the songs are downloaded asynchronously and placed on a local download manager ("LDM"). When the inmate logs into the kiosk, the kiosk checks for songs already downloaded by the LDM and copies the songs onto the JP3 player. Inmates do not have access to the Internet or to the LDM.

3.2.1.8.2 Secure MP3 music downloads solutions;

- The JPay Team has read, understands and agrees to comply.

The LDM is the only machine allowed to download songs for the inmates. The inmate kiosks connect to the LDM and grab songs intermittently so the inmate kiosks do not have to connect to the JPay server continuously to download songs. This limits bandwidth activity and provides a secure solution for the DOC as firewall rules restrict the LDM and inmate kiosks to only connect to JPay sanctioned IP addresses.

3.2.1.8.3 Offer a large variety of titles and genres available for purchase;

The JPay Team has read, understands and agrees to comply.

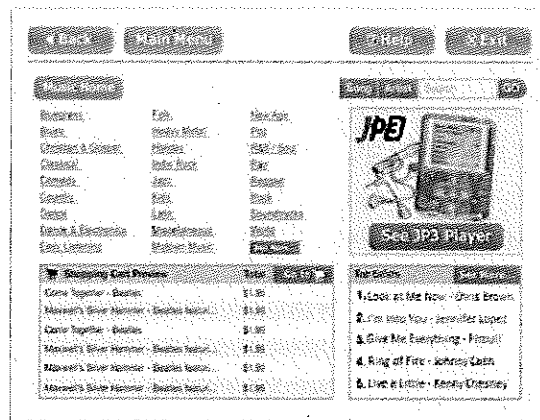
The kiosk's Media Store features 10.5 million titles from every major record label, and allows inmates to search music by genre, popularity, artist and new releases. One popular feature is a feed of the DOC's top sellers which will always display the top purchased songs at each DOC.

The advantage of having a live catalog is that available music is updated daily from the record label. JPay's advantage is that those changes are driven to the kiosks in real time.

3.2.1.8.4 Alternative methods that allow the inmates to search and choose music (to place in a queue) without being connected to the kiosk. This includes the ability to choose order of preference and deleting selections in the queue;

The JPay Team has read, understands and agrees to comply.

JPay provides access to the music catalog for all inmates, regardless of whether they are indigent or have a healthy-sized trust account balance. All the inmate has to do is log into a kiosk in their housing unit and begin learning about the program. This is also the first and most critical step to attaining inmate adoption. Other vendors only allow those who have purchased handheld devices the privilege of browsing the music catalog. As all inmates are afforded the opportunity to browse and preview music, it's no wonder there is such a high demand for JPay's digital media solution.



Providing the ability to search for music on the kiosk ensures that the catalog will always be up-to-date at the point of sale. This eliminates complaints from inmates who purchase unavailable content, which is a problem with static catalogs that are available on other handheld devices.

The music catalog displayed on the kiosk is updated constantly so that any new additions or changes are reflected immediately. When new music becomes available, inmates do not have to wait and synch with the kiosk to get the latest catalog, as is the process with systems which only offer catalog visibility through the player. Such systems often display and may even deduct inmate funds for the purchase of media items which are no longer available. With JPay's program, inmates can browse, preview and buy new music (songs, albums and compilations) immediately.

3.2.1.8.5 Download/data retrieval times;

The JPay Team has read, understands and agrees to comply.

The average download time depends on the network speed and the size of the song. If JPay installs its own wireless network, a typical song of 10 megabytes takes about 5 seconds to be transferred to the JP3 player.

3.2.1.8.6 Security features and if features can be disabled upon release for normal use. This includes any locking features to prevent music sharing, etc. Vendor to describe theft prevention features;

The JPay Team has read, understands and agrees to comply.

JPay's digital media platform is built solely for correctional environments with a security first approach. Not only are the player and media applications secured with the most up to date industry protection but the player is locked from nuts to bolts.

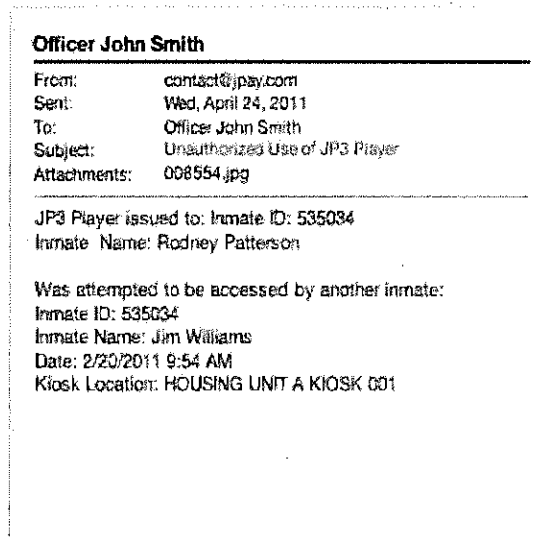
V3.5 - 2/24/2011

Property of
Angela Harrah
54321
331

The JP3™ player displays the inmate's name and ID number when the device is turned on. JPay uses FTP to send the DOC the inmate ID associated with each purchased player, which can be stored in a back end inventory system. This provides for easy detection of player theft since both JPay and facility staff have access to device monitoring.



The device is programmed to only connect to the kiosk software and only to the account that matches the owner of the JP3™ player. If an unauthorized attempt is made, an error message is displayed and the connection will fail.



When unauthorized use is attempted, such as an inmate trying to log into another inmate's kiosk account, a notification alert is also sent via email to appropriate DOC personnel.

The inherent risks associated with player theft and subsequent purchase abuses are greatly minimized when inmates are required to go through a secure login process in order to access the music catalog. Only after an inmate logs into their kiosk account with a username and password can they browse and purchase music.

Released inmates will be able to ship their player back to JPay to get it unlocked. The process is free and takes no more than five business days.

3.2.1.8.7 Capabilities of the actual MP3 player to be used. Are there base/upgraded versions? What is the min/max gigabyte capacity?

The JPay Team has read, understands and agrees to comply.

The JP3 comes standard with a 4 GB base of memory. Additional memory can be purchased as well. Upgraded versions offer 8 as well as 16 GB.

3.2.1.8.8 Describe power features and how recharging of the player is achieved;

The JPay Team has read, understands and agrees to comply.

The JP3 player includes a lithium-ion rechargeable battery and an AC adapter. An alkaline battery model of the JP3 player and rechargeable alkaline batteries are also available should the DOC desire.

3.2.1.8.9 Must be able to provide inmate with transaction data/account balance;

The JPay Team has read, understands and agrees to comply.

Inmates will be able to access transaction data and account balances on the kiosk prior to purchasing music. Bundled with the kiosk application is an inmate banking application that allows inmates to check their account balances and even see previous transactions or bank statements, depending on the capabilities of the DOC's inmate banking system.

3.2.1.8.10 System to be able to catalog inmate songs in a database; the ability for the inmate to manage his total music library;

The JPay Team has read, understands and agrees to comply.

JPay recently introduced new functionality to the inmate kiosk application that allows the inmate to manage his/her music library. This new feature is called "My Player" and allows the inmate to manage his/her player library from an easy to use interface.

3.2.1.8.11 Player must be clear to provide viewing of internal components;

The JPay Team has read, understands and agrees to comply.

The JP3 has clear casing for the player as well as all components:

- Ear Bud Headphones (clear)
- Battery Charger (clear)
- USB Cord (11" length)
- Batteries

3.2.1.8.12 DOC must have the capability to approve all music available to purchase on the catalog; and

The JPay Team has read, understands and agrees to comply.

From the Facility System, the DOC can restrict albums or songs from being available in the catalog. For example, all albums with a parental advisory warning can be withheld from the media store.

3.2.1.8.13 Vendor must have contractual rights to distribute digital media from major music labels or other entertainment fields to provide reasonable volume of acceptable media content.

The JPay Team has read, understands and agrees to comply.

JPay has the rights to over 10.5 million songs from all four major record labels and a vast Indie catalog. JPay underwent a rigorous process to have the labels grant JPay authorization to access and redistribute copyrighted materials.

3.2.1.9 Phone Time Usage

Capabilities for the kiosk to provide tracking of phone time usage.

The JPay Team has read, understands and agrees to comply.

JPay can integrate with the DOC's phone vendor to allow inmates to track usage, manage calling lists and transfer funds between commissary and

phone accounts. JPay currently has this interface in place in several jurisdictions.

3.2.1.10 *Application Architecture*

3.2.1.10.1 *Open source application.*

The JPay Team has read, understands and agrees to comply.

All of JPay's applications are proprietary.

3.2.1.10.2 *Documented Interface API and tool kit od.*

The JPay Team has read, understands and agrees to comply.

JPay has a documented interface API which is available for use by the DOC. We do not have a tool kit. However JPay developers are free to assist DOC developers if necessary.

3.2.1.10.3 *Custom changes to the Interface API.*

The JPay Team has read, understands and agrees to comply.

JPay has the ability and will be happy to provide custom changes for the DOC.

3.2.1.11 *Interfacing*

3.2.1.11.1 *Vendor to detail their capability to interface vendor's applications to DOC applications.*

The JPay Team has read, understands and agrees to comply.

JPay has extensive experience interfacing with both off-the-shelf and custom-designed DOC (and outside vendor) applications. JPay has interfaced with over 50 systems, large and small, and is more than capable of interfacing with the DOC.

3.2.1.11.2 *Security and capability when interfacing to DOC applications.*

The JPay Team has read, understands and agrees to comply.

All communications take place over Secure Socket Layer (SSL). However if a DOC chooses to communicate in real time, as does the New York City Department of Correction, then JPay can easily accommodate the requirement.

3.2.1.12 *Communications*

Kiosks to support communications via:

- Cable
- Wireless
- DSL
- Other

The JPay Team has read, understands and agrees to comply.

JPay's inmate kiosks will work with any or all of the listed communications methods. JPay's preferred method is wireless, though we are also able to provide cable or DSL if required by an individual DOC.

3.2.1.13 *Scalability*

Vendor to recommend number of inmate to kiosk ratio and how their system can adjust based on changing inmate populations. Provide all assumptions used to identify required computing power and/or hardware.

The JPay Team has read, understands and agrees to comply.

JPay recommends that kiosks be installed at a rate of 1 per 150 inmates within each facility's housing units. This inmate to kiosk ratio prevents cross-pollination and the need for additional security personnel to escort inmates through restricted areas in order to access a kiosk. Each kiosk hosts all of JPay's applications which eliminates the need to have multiple devices performing different tasks.

Usually, high traffic kiosks are identified immediately and low traffic kiosks

are moved to high traffic locations. Inmates do not wait in lines to access a kiosk and can do so one at a time, in a comfortable manner.

Immediately following contract award, JPay's deployment team will tour each facility to determine optimal placement for the inmate kiosks. Considerations include access to proper connectivity and power as well as security and ease of inmate movement.

3.2.2 Software Requirements

The successful vendor shall provide a kiosk application that will run on an operating system designated by the DOC and is capable of being upgraded.

The successful vendor shall allow for additional applications to be added as determined necessary by the DOC. Upon mutual agreement between the vendor and the DOC, additional applications can be added via change order to the kiosk while this contract or its extensions are in effect, at the department's option.

Vendor must provide any and all upgrades that become available during the term of the contract.

The JPay Team has read, understands and agrees to comply.

All JPay applications and software are designed for the Microsoft® Windows operating system. JPay is happy to accommodate requests for additional applications and feature modifications, as evidenced by the development of the Holiday and Gift Program for the Nevada DOC.

JPay periodically upgrades its software and systems. All updates are loaded onto field equipment remotely.

3.2.2.1 Third Party Acquisition of Software: vendor shall notify the Department in writing if its intellectual property, business, or all of its assets are acquired by a third party.

The JPay Team has read, understands and agrees to comply.

3.2.2.2 *Title of Software: Vendors submitting a proposal represents and warrants that it is the sole owner of the software or, if not, the owner, has received all legally required authorizations from the owner. Vendor to provide the following documentation:*

- *Term of software license.*
- *Rights to Computer Software.*

The JPay Team has read, understands and agrees to comply.

JPay warrants that it is the sole owner of the software. As all of JPay's software is proprietary and built in-house, no license or additional documentation is needed.

3.2.2.3 *Touch screen monitor shall reduce the ability to read the screen when viewed from the side to prevent others from viewing displayed information. Touch screen shall not require scrolling.*

The JPay Team has read, understands and agrees to comply.

JPay installs privacy screens on all inmate kiosk monitors to prevent side viewing. These privacy screens are extremely effective at preventing inmates from viewing a kiosk user's account information. Kiosks with privacy screens have been in the field for over 2 years.

3.2.3 *System Architecture*

3.2.3.1 *The capability for the development of future applications and implementing these applications on the proposed hardware configuration.*

The JPay Team has read, understands and agrees to comply.

JPay designs and builds all of its applications from scratch. The applications are all built to run effortlessly on the kiosk architecture. JPay has not mixed and matched partners and acquisitions to offer a mixed bowl of technology. Rather, JPay's solutions are all compatible and maintained by one team, the JPay development team located at the company's headquarters in Miami Florida.

Not only will the applications continue to develop in number and in functionality, but the hardware will change with time as well. To be specific, JPay is currently developing a handheld device designed to augment our digital

media solution.



JPay's next generation device, the JP5™ tablet, gives inmates the ability to view, draft and send eMessages from the convenience of their cells. Inmates simply synch up whenever they need to send and receive messages. The synch can happen from the kiosks or wirelessly. The JP5 also provides access to interactive educational content as well as television and movies.

This tablet will serve as an excellent reintegration tool as inmates learn how to complete job applications and navigate common computer programs.

3.2.3.2 Vendor shall ensure that the system architecture is scalable and designed to easily and inexpensively accommodate changes (future applications, etc) resulting from DOC rules and workflows.

The JPay Team has read, understands and agrees to comply.

All of JPay's systems are completely scalable with the ability to increase server number and size to meet consumer demand. There is no limitation on data storage of any of JPay's service data. In fact, we anticipate a growing increase in usage and have designed our server capacity to grow in parallel.

Through the years, JPay has continuously modified our system to accommodate

DOC requests. At the Texas Department of Criminal Justice for example, the Office of the Investigator General requested that JPay design an alert system that allows the trust accountants, mailroom staff, and investigators to forward sensitive inmate trust account deposit and eMessaging data from one staff member to another via JPay's system. JPay not only developed this feature, but trained staff at all 107 State facilities to make sure that the tool was prepared for maximum usage.

3.2.3.3 Vendor must allow for the kiosks to be data linked within an institution, and best case to be linked throughout the Department.

The JPay Team has read, understands and agrees to comply.

3.2.3.4 Provide the capability of producing reports, including but not limited to:

- *Use and statistical reports by function. (i.e., Banking queries, store sales, phone time, etc; and*
- *Accounting reports.*

The JPay Team has read, understands and agrees to comply.

Staff can generate all types of reports from the Facility System and choose to print them or export them to Microsoft® Excel or Word for sorting and format customization.

Reports for each service include:

- User Reports
- Facility Reports
- Agency-wide reports
- Usage analytics
- Transaction history reports
- Revenue and other recap reports

3.2.3.5 Provide a kiosk application that will run on a operating system designated by the DOC and is capable of being upgraded.

The JPay Team has read, understands and agrees to comply.

JPay's kiosk application runs on the Microsoft® Windows operating system and

is capable of being upgraded.

3.2.3.6 Touch screen buttons and font sizes large enough to be easily read by the majority of customers.

The JPay Team has read, understands and agrees to comply.

Kiosk screen font sizes are large enough to be read by the majority of inmates. Touch screen is available but not standard as each kiosk is equipped with a keyboard and trackball mouse.

3.2.3.7 Provide kiosk application instructions to the inmates which are clear and to the point, with no large blocks of text.

The JPay Team has read, understands and agrees to comply.

All kiosks have detailed instructions and an FAQ for each application. If inmates have questions or concerns about an application, they can submit a support ticket directly from the kiosk which will be answered by a JPay customer support team member.

3.2.3.8 Vendor shall ensure each kiosk is maintained on the most current version of the vendor's systems of operation, with no more than two versions at any one-time across all kiosks.

The JPay Team has read, understands and agrees to comply.

3.2.3.9 Kiosk Operational Statistics to include:

At minimum, internal operational software.

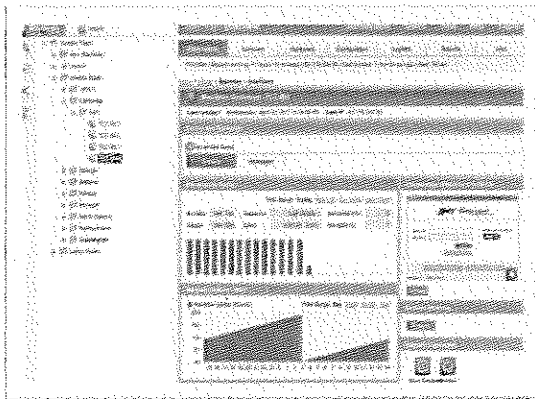
Ability to look at up-time logging data and monitor kiosks.

Full monitoring capabilities; KVM/Power.

The JPay Team has read, understands and agrees to comply.

Internal operational software is proprietary. Performance is monitored at all times by a software monitoring application which sends system alerts to JPay technicians. JPay utilizes a VPN to control the internal computer remotely allowing the kiosk to be maintained, rebooted and upgraded as needed. All

events are recorded and easily audited.



3.2.3.10 *Data transfer in your operating system. Please include specification for eXtensible Markup Language (XML) or other standard interface options, to tie in a kiosk-based application with offender management systems.*

The JPay Team has read, understands and agrees to comply.

JPay's inmate kiosks use web services to communicate with back office. Those web services can be used to tie in a kiosk-based application with offender management systems.

3.2.4 *Customer Interaction Messages*

Messages to be available in English and Spanish.

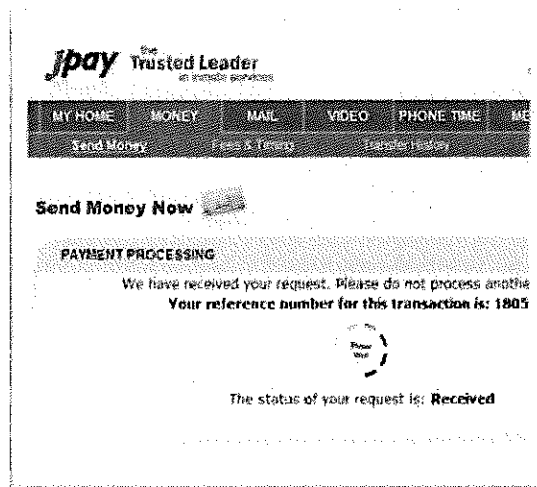
The JPay Team has read, understands and agrees to comply.

Vendors are to describe in detail the following:

3.2.4.1 *Transaction processing messages;*

The JPay Team has read, understands and agrees to comply.

When a customer submits a transaction on JPay.com, an easy-to-understand message informs them of transaction status:

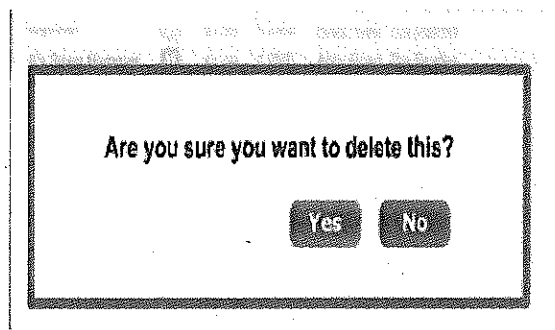


3.2.4.2 What messages prompt the inmate during their time on the kiosk;

The JPay Team has read, understands and agrees to comply.

Throughout the kiosk session, a timer on the bottom of the screen indicates how much time remains in the inmate's kiosk session. An additional message appears when there are five minutes remaining.

Additional prompts include confirmations after selecting or deleting an item for purchase in both the media and commissary modules.



3.2.4.3 Error message, can the error message be customized?

The JPay Team has read, understands and agrees to comply.

Any and all error messages, on both the inmate as well as customer-facing interfaces, can be customized to meet each individual DOC's specifications. In fact, most error messages need to be customized in order to meet each administrative directive for each jurisdiction. JPay's system was designed to accommodate this.

3.2.4.4 Does functionality include instructional prompts?

The JPay Team has read, understands and agrees to comply.

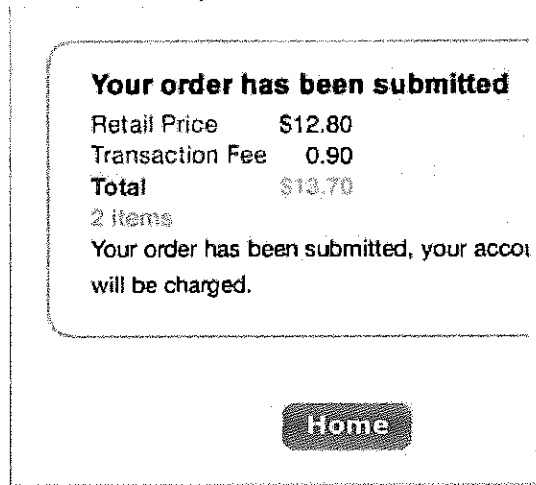
All of JPay's functionality features user-friendly instructional prompts, available in English and Spanish. In addition, JPay will provide signs and "How-to" guides next to each kiosk.

3.2.4.5 Transaction processing messages to indicate what messages prompt the inmate during their time on the kiosk. This should include error messages.

- *Can the error message be customized?*
- *Does the functionality include instructional prompts?*

The JPay Team has read, understands and agrees to comply.

All transaction processing as well as error messages can be customized. All prompts can be customized as well, and include easy to understand instructions.



3.2.5 Remote Management

At minimum, remote Keyboard/Video/Mouse (KVM) reset is required.

The JPay Team has read, understands and agrees to comply.

JPay monitors all installed equipment from our NOC and can reset these devices remotely. Any loss of critical, significant, or less than significant functionality will prompt a reboot, which generally resolves the majority of functionality issues.

3.2.5.1 Vendor to detail remote management capabilities. To include the following:

- Monitoring;
- Diagnostics;
- Error resolution;
- Software problem assistance;
- Intelligence reporting;
- Application and software updates and upgrades; and
- Rebooting and controlling the remote kiosks from a central location.

The JPay Team has read, understands and agrees to comply.

NOC technicians continuously monitor all hardware, software, and system performance. This allows our dedicated personnel to diagnose and resolve issues, often before the DOC notices a problem. If the NOC is unable to remotely resolve a software issue, technicians may be dispatched to conduct onsite repairs. If the team detects that a larger fix is required, JPay collaborates

with the account manager and field technicians to resolve the issue.

All application and software updates are loaded onto field equipment remotely. These upgrades are vetted by a Change Control Committee, then subject to a rigorous testing phase before being released into the field. JPay monitors and manages the entire process remotely, allowing for zero impact on DOC resources.

3.2.5.2 Remote management should be set through a security access designation.

The JPay Team has read, understands and agrees to comply.

3.2.6 Software Provisions

3.2.6.1 Vendor shall provide any and all software upgrades that become available during the term of the contract.

The JPay Team has read, understands and agrees to comply.

JPay will provide software upgrades once a month and will notify the DOC ahead of time. All upgrades are deployed remotely during off-hours and JPay will provide additional training on new features, if needed.

3.2.6.2 Third party Acquisition of Software - The vendor shall notify the department in writing if its intellectual property, business, or all of its assets are acquired by a third party.

The JPay Team has read, understands and agrees to comply.

3.2.6.3 Title of Software – By submitting a proposal, the vendor represents and warrants that it is the sole owner of the software or, if not, the owner, has received all legally required authorizations from the owner.

The JPay Team has read, understands and agrees to comply.

JPay represents and warrants that it is the sole owner of the software.

3.2.6.4 Term of software license.

The JPay Team has read, understands and agrees to comply.

All of JPay's software is proprietary and built in-house. As such, no license is required.

3.2.6.5 Rights to Computer Software.

- The JPay Team has read, understands and agrees to comply.

As the sole owner and developer of its computer software, JPay retains all rights in its software.

3.2.7 Hardware Requirements

Vendor must describe the capability for the development of future applications and implementing these applications on the proposed hardware configuration.

- The JPay Team has read, understands and agrees to comply.

The JPay R&D team has developed 3 hardware devices to date and plans on launching at least 2 additional devices in the next 18 to 24 months. These mobile devices are able to host all of JPay's kiosk applications and will be able to be used anywhere in the facility.

Vendors to describe in detail the ability to provide the following:

3.2.7.1 Vendor shall provide for all electrical equipment to operate on a regular 120 volt, 60 hertz, AC power and be "UL" or equivalently listed and be certified by a Nationally Recognized Testing Laboratory to be compliant with the FCC regulations.

- The JPay Team has read, understands and agrees to comply.

All electrical components of JPay's inmate kiosk are "UL" certified and operate on 120 volt, 60 hertz, AC power.

3.2.7.2 Monitors must be Energy Star Compliant with a minimum level of EPEAT Bronze. Monitors must be a minimum of 17" in size across the diagonal, having an associated graphics control board with video drivers. Monitor must be able to withstand operating temperatures of 110 degrees and 100% humidity.

- The JPay Team has read, understands and agrees to comply.

JPay's turn-key, stand-alone outdoor kiosks include 17", Energy Star Compliant monitors. However, the inmate kiosks can only withstand temperatures between 20 and 105 degrees.

3.2.7.3 Describe alternatives for offenders with disabilities. i.e., Large print options; Text reader options for the blind; Assistive key-stroke functionality for paralyzed offenders.

The JPay Team has read, understands and agrees to comply.

JPay's kiosk already has ADA compliant components but will not be in full compliance with this section until fourth quarter 2011.

3.2.7.4 Vendor to propose solutions that would assist the visually impaired.

The JPay Team has read, understands and agrees to comply.

JPay's kiosk already has ADA compliant components but will not be in full compliance with this section until fourth quarter 2011.

3.2.7.5 Each kiosk must have a touch screen video display monitor capable of displaying digitized photographs, graphics, and videos, etc.

The JPay Team has read, understands and agrees to comply.

JPay's kiosks have monitors that are capable of displaying digitized photographs, graphics and videos. JPay strives to build products that assist inmates with reintegration. As touch screens are not needed on a home or work PC, JPay's kiosks do not come standard with this component. However, if the DOC determines this is a necessity, JPay can easily provide touch screens on inmate kiosks.

3.2.7.6 Touch screen monitor must be secure, safe and capable of withstanding heavy usage in a correctional environment. It must be scratch resistant. Vendor must provide any special care required to keep the screen clean, and prolong the viewing and usage life expectancy.

The JPay Team has read, understands and agrees to comply.

3.2.7.7 *Touch screen monitor shall not be of the "overlay" or "membrane" type. If a "surface acoustic" or "capacitive" technology is not utilized, the vendor must provide an explanation of why another technology is being proposed.*

The JPay Team has read, understands and agrees to comply.

3.2.7.8 *Touch screen monitor must reduce the ability to read the screen when viewed from the side to prevent others from viewing displayed information.*

The JPay Team has read, understands and agrees to comply.

JPay installs privacy screens on all inmate kiosk monitors to prevent side viewing.

3.3 SECURITY REQUIREMENTS

Vendors to describe in detail how the following security requirements will be performed:

3.3.1 *System must be able to support secure wireless, if required by using facility.*

The JPay Team has read, understands and agrees to comply.

JPay has developed a new standard for prison-grade connectivity - a dedicated and proprietary secure wireless network ("WiFi"). JPay will install a WiFi network at each facility to provide connectivity for the kiosks and digital media solution. To ensure outstanding reliability, this network is fully redundant, so if one wireless access point goes down the remaining points are able to compensate, providing 99.9% uptime with strong connectivity.

JPay is the only vendor to have campus-wide wireless networks deployed in a correctional environment. This architecture allows inmates to access the network from a kiosk in their housing unit or from a handheld device in their cell. The wireless network has broken new ground, and JPay has taken the helm by constructing this environment for 5 state correctional agencies.

Wireless systems offer connectivity virtually anywhere through the facility, connectivity is at least 99% and there are no additional charges per use. Agencies employing a wireless network can utilize multiple kiosks throughout the institution

without intermittent signal strength, communication gaps, or inconsistent uptime.

Inmate kiosks come equipped with WiFi antennas capable of accessing the mesh network. The kiosks would then be placed in strategic locations based on connectivity optimization, while taking into consideration inmate movement, safety and security.

3.3.2 Kiosks may or may not connect to DOC information technology infrastructure.

The JPay Team has read, understands and agrees to comply.

The mesh broadband network is completely independent of DOC resources and does not interfere with facility traffic or the exchange of proprietary information.

3.3.3 Vendor to detail plans to support their proposal both ways.

The JPay Team has read, understands and agrees to comply.

Inmate kiosks can also connect to a local network provided by the DOC. A bandwidth of 10 Mbps must be available for the kiosks and firewall rules must be in place to insure access to JPay servers. JPay's experienced deployment technicians will partner with DOC's IT staff to ensure all security protocols are met.

3.3.4 Incoming e-mail is screened by the system using keyword search before download is allowed. Keyword screening would evaluate risk level of e-mail. Unacceptable or questionable (moderate to high risk) e-mail is held or staged at a central location computer for DOC approval before it is available for offender delivery or download.

- *Keyword search may be edited at any time.*
- *Offender email must be stored by vendor or transferrable to DOC storage.*

The JPay Team has read, understands and agrees to comply.

3.3.5 *Internet access/direct e-mail reply is not allowed within the Nevada Department of Corrections. Vendor to detail how this could be managed with their systems.*

The JPay Team has read, understands and agrees to comply.

3.3.6 *MP3 music downloads – Player connects and accepts downloads only from the secure kiosk. No direct access to the internet within the Nevada Department of Corrections. Vendor to detail plans to support their proposal with and without direct access to the internet.*

The JPay Team has read, understands and agrees to comply.

3.3.7 *Recording Video Visitations*

The JPay Team has read, understands and agrees to comply.

3.3.8 *Vendor must have contractual rights to distribute digital media from major music labels or other entertainment fields to provide reasonable volume of acceptable media content.*

The JPay Team has read, understands and agrees to comply.

3.4 MAINTENANCE / SERVICE

3.4.1 *Software Modification by the vendor and Release Management.*

3.4.1.1 *Department initiated modification to the software; the vendor shall provide the following:*

- *Timely cost estimates; and*
- *Reasonable delivery date for enhancements, as mutually agreed upon.*

The JPay Team has read, understands and agrees to comply.

JPay continuously develops software enhancements based on DOC requests and

recommendations. Most developments are provided at no cost to the agency.

All software changes will be presented to the DOC for approval along with estimated delivery dates. Complete documentation will be provided at the time of the software upgrade.

3.4.1.2 The vendor will prepare software releases and stages for testing, validation and acceptance in a test environment. The Department will perform testing for authorization to proceed prior to migration to production environment.

The JPay Team has read, understands and agrees to comply.

All application and software updates are vetted by a Change Control Committee, then subject to a rigorous testing phase before being released onto field equipment remotely.

3.4.1.3 The vendor shall propose, provide, and describe their solution for change management. These must include at a minimum:

- *Version number;*
- *Description of the change;*
- *How the change was initiated (i.e. user or system support);*
- *Person requesting the change;*
- *Person responsible for the change; and*
- *Date and time of the change.*

The JPay Team has read, understands and agrees to comply.

Please see attached documentation.

3.4.1.4 Vendor to provide maintenance and service plan to include frequency and speed of maintenance. Downtime shall not extend past a 24 hour period.

The JPay Team has read, understands and agrees to comply.

Whenever possible, all software maintenance is conducted remotely. If JPay cannot resolve a software issue within one business day, a local technician will be dispatched. The centralized design of our system and our monitoring of the platform by the NOC 24x7x365 allows us to discover and correct problems before the DOC becomes aware of them. As such, few situations require a

technician to dispatched to a DOC. Problem resolution occurs within minutes and not hours as is typical with premised-based systems.

JPay also operates a comprehensive Help Desk which lets customers, inmates and DOC users submit inquiries and get fast and quality assistance from a specialized team. The system accepts tickets from the website (JPay.com), the DOC user site (Facility System), JPay agents or via email. Tickets are escalated according to severity. All tickets are logged and tracked for research, training and quality assurance. JPay's Help Desk operates 24/7, providing top level support for our clients.

Once a ticket is created, the Help Desk is activated to "solve" the issue. Closing a Help Desk ticket requires two general processes. First, JPay resolves the issue (*i.e.* resetting a user's password, rebooting a kiosk, etc.) Second, JPay communicates the resolution to all stakeholders.

The account manager assigned to the DOC is copied on and responsible for all DOC tickets. Internally, the Help Desk routes each issue to the proper party for resolution, regardless of where the ticket was created. For example, a hardware technician and account manager are copied on all inquiries related to equipment.

Typical Help Desk tasks:

- Kiosk/network connectivity
- Application performance or usability
- Malfunctioning hardware
- File transmission troubleshooting
- Banking/reconciliation issues
- Specific customer cases
- Training

The JPay Help Desk team is specially trained to address all DOC concerns on JPay's product offering.

3.4.1.5 *The successful contractor must provide support for the equipment Monday through Friday 8:00 am to 5:00 pm in participating state's time zone. Vendor must provide the toll free number for agency to call when service is needed.*

The JPay Team has read, understands and agrees to comply.

The account manager assigned to the DOC is available via a toll free number during normal business hours, and reachable by cell phone 24/7/365 should the need for after hours support arise.

3.4.1.6 *Maintain levels of service and machine installation at no cost to state.*

The JPay Team has read, understands and agrees to comply.

JPay stakes its reputation on providing innovative services for correctional institutions while maintaining outstanding client and customer support, including service maintenance. JPay will provide the necessary labor, parts and materials to install and maintain all equipment in optimal working condition at no cost to the state.

3.4.1.7 *No additional installation cost for changing out machines that need repair or replacement.*

The JPay Team has read, understands and agrees to comply.

3.4.1.8 *The vendor will coordinate its service schedule in advance with the institution.*

The JPay Team has read, understands and agrees to comply.

3.4.1.9 *If ownership of equipment shall remain with the contractor, the state shall provide reasonable measures against loss by pilferage or destruction. The vendor shall be responsible for any expenses required for the repair of the equipment.*

The JPay Team has read, understands and agrees to comply.

JPay maintains ownership of all deployed equipment throughout the life of the contract and will be responsible for any expenses required for replacement or

repair.

3.4.1.10 The successful vendor must provide following support services for equipment placed within state buildings, that include but are not limited to:

- *Unlimited phone support;*
- *Updates and upgrades;*
- *Security-related updates to their proposed solution, which may be called updates, upgrades, patches, service packs, hot fixes, or workarounds.*

The JPAY Team has read, understands and agrees to comply.

Customer service is the cornerstone of JPAY's success. As a philosophy, JPAY defines the customer as the end user – everyone from the family and friends, the inmate, the correction officer, the investigator, or the released offender paying drug test fees every month. Each person using the platform in one way or another is considered a customer.

The company is continually focused on two objectives: retaining existing customers and welcoming new customers. This focus works effectively when planning and executing customer service efforts and marketing campaigns. In fact, JPAY's "A" rating from the Better Business Bureau is unrivaled in the industry.

JPAY's customer service is based on a **3 tiered** system:

Tier 1 is the "front line" and is comprised of customer service agents who handle customer issues professionally and courteously. Unlike our competition, these bilingual agents are available to accept phone calls as well as emails 24 hours a day, 7 days a week. We believe our recurring customer base is a clear indication that the company delivers quality customer service. Testimonials to this can be seen on JPAY's forum where customers praise JPAY's phone agents and the website's ease of use. We are happy to have fostered a customer-focused atmosphere catering specifically to inmates and their friends and families.

Tier 2 is composed of specialized teams that focus solely on individual projects and products. For example, there is a small team that caters specifically to

support tickets written by inmates from the inmate kiosk. There is also a dedicated team that assists all facility staff at the Texas Department of Criminal Justice with their inbound eMessaging system, given that they are operating over 100 printers and go through hundreds of paper reams a month. This product specialization is relatively new to the company's structure but has quickly become an effective tool applauded by many clients.

Tier 3 refers to software development and IT support. Any enhancements or software issues are handled by a R&D project manager and taken through the regular software update process. Any hardware or network related issues are handled by IT support. JPay has service level agreements with local technicians to handle onsite support.

3.5 REPORTING

3.5.1 Vendor must include in their proposal reporting capabilities for machines to be provided, to include but not limited to the following:

- *Processing time per transaction;*
- *Number of transactions per day;*
- *Offender purchases;*
- *The number of an individual's purchases;*
- *Transactions rejected and rejection reason;*
- *The source and amount of deposits to offender accounts;*
- *Use and statistical reports by function. (i.e. Banking queries, store sales, phone time, etc; and*
- *Be able to provide custom reports as may be requested by individual participating entities. Describe in general, the level of sophistication and complexity, custom usage report data that you can provide to the participating entities. Vendors should provide a sample report with their proposal.*

The JPay Team has read, understands and agrees to comply.

The Facility System offers a plethora of useful reports detailing inmate kiosk usage and transactional data, all of which can be exported to Excel for sorting and customization. JPay will make every attempt to develop any report not currently available at the DOC's request.

3.5.2 Reporting shall be provided in the format required by MCPA/NASPO Reporting Forms (Attachment N).

The JPay Team has read, understands and agrees to comply.

3.5.3 The following usage reports shall be submitted for the respective quarter:

- A quarterly summary of equipment sold.
- A quarterly summary by category.

Reports are to be submitted to the lead State in the format required by MCPA (Attachment N).

Reporting Dates:

- 1st Quarter – July – September – due by November 15th
- 2nd Quarter – October – December – due by February 15th
- 3rd Quarter – January – March – due by May 15th
- 4th Quarter – April – June – due by August 15th

The JPay Team has read, understands and agrees to comply.

3.6 TRAINING

Vendor to provide all training materials and user manuals.

The JPay Team has read, understands and agrees to comply.

JPay takes pride in its strong training division and has successfully taught and implemented these services with corrections agency staff across the country. JPay plans to bring the expertise and experience learned from previous deployments to each DOC, offering in-depth training sessions in a variety of ways.

Live Training - JPay conducts in-depth, face-to-face instructional seminars both before and during the launch of the services. Simultaneous training sessions are held with trust office accountants, mailroom personnel, investigators, and all staff involved with administering JPay's services.

Remote Training - JPay uses WebEx to perform follow up and refresher trainings and offers supplementary remote guidance. This training is also used if additional JPay services are implemented at a correctional facility already familiar with the Facility System, or upon the DOC's request.

Content and Literature Distribution - Training manuals and tutorials are available on the Facility System or can be distributed via email. These are distributed during and after training sessions to familiarize users with the Facility System. A sample User Guide will be provided upon contract award.

3.7 SYSTEM WARRANTY

Equipment must carry a minimum one (1) year warranty that it is free from defects in material and workmanship. If defects are identified, the successful vendor agrees to repair or replace defective parts promptly on a like-for-like basis without additional cost to the customer. Any and all items failing during the warranty period will be replaced promptly free of charge. Upon significant failure, the warranty period will commence again for a minimum 90 additional days. Significant failure shall be determined by the Participating State Contract Administrator.

JPay provides a limited warranty with each player purchase that covers the JP3 player and all of its components for one year. During the warranty period, a malfunctioning player will be collected, repaired, and returned with the same media files present at the time it was collected. After the warranty period, JPay is not responsible for fixing or recouping broken players. JPay will work with DOC facility management to establish collection logistics.

LIMITED WARRANTY

The following accessories are included with the purchase of the JP3™ Player which includes the following accessories: (1) one set of ear bud headphones, (2) one AC power adaptor, and (3) one USB connector cable (collectively, the "Player").

JPay warrants that the Player will be free from material defects in design and manufacture and will substantially conform to the published specifications under normal use for a period of 1 year following the date the Player is purchased. This warranty is provided to the recipient of the Player and is not transferable. The warranty is void if the product is not used in accordance with the product instructions, or if it is damaged as a result of misuse, unauthorized repair, modification or accident.

To obtain warranty service, a Trouble Ticket must be submitted to the JPay kiosk's Help Desk. JPay will attempt to troubleshoot the issue. If further assistance is needed, JPay will repair or replace the product or any portion thereof with a new or refurbished product of equal or greater capacity and functionality. A replacement product assumes the remaining warranty of the original Player.

JPay does not warrant, and shall not be responsible for, any lost content or data contained in the Player regardless of the cause of the loss. JPay's products are not warranted to operate without failure. This warranty gives you specific legal rights, and you may also have other rights which vary by jurisdiction.

JPay is not responsible for damage arising from failure to follow instructions relating to the product's use.

This warranty does not apply: (a) to cosmetic damage, including but not limited to scratches and dents; (b) to damage caused by accident, abuse, misuse, liquid spill or submersion, flood, fire, earthquake or other external causes; (c) to damage caused by service performed by anyone who is not a representative of JPay; (d) to a Player that has been modified; or (e) to a Player that has been confiscated by correctional staff.

3.8 DEPARTMENT OF CORRECTIONS REQUIREMENTS

3.8.1 Security

3.8.1.1 Upon approval of the contract and prior to the start of work, each of the staff assigned by the contractor and/or subcontractor to this project may be required to sign non-disclosure agreements to be determined by each participating State.

The JPay Team has read, understands and agrees to comply.

3.8.1.2 All non-disclosure agreements shall be enforced and remain in force throughout the term of the contract.

The JPay Team has read, understands and agrees to comply.

3.8.1.3 All employees of vendors entering prison grounds must adhere to NDOC Security Regulations (Attachment K).

The JPay Team has read, understands and agrees to comply.

3.8.2 Work Area/Project Preparation

Prior to commencement of work, the awarded vendor shall ensure that:

- Arrangements have been made for any disposal of waste materials per Scope of Work;
- All tools, equipment and materials are on hand; and
- Any applicable worker training has been completed and documentation is on site required.

The JPay Team has read, understands and agrees to comply.

3.8.3 Health and Safety Standards

3.8.3.1 The awarded vendor shall comply with all applicable federal, state, and local requirements for protecting the safety of the contractor's employees, building occupants, and the environment.

The JPay Team has read, understands and agrees to comply.

3.8.3.2 The awarded vendor must comply with all Federal, State and Local rules and regulations.

The JPay Team has read, understands and agrees to comply.

3.8.4 Employee Background Clearance Requirements

Upon contract award, and at least four (4) days prior to beginning work, the awarded vendor shall submit a completed Contractors Background Check Applications (Attachment M), Consent for Release of Criminal History Records form (DOC560) for each employee who will be working on this project (unless previously cleared for the Site Visit).

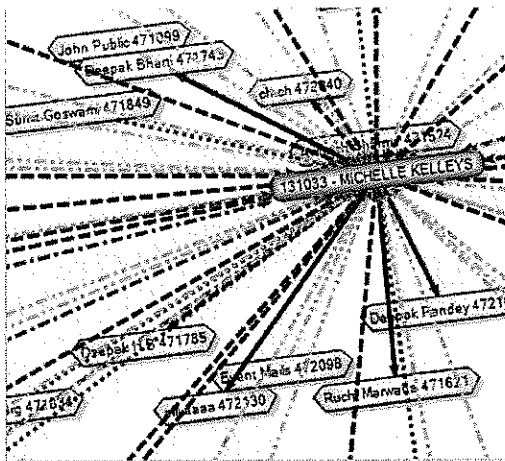
The JPay Team has read, understands and agrees to comply.

3.9 OPTIONAL/OTHER SERVICES

Vendor may submit additional options. Options must be listed in detail.

The JPay Team has read, understands and agrees to comply.

The Intel System



Today's latest data mining techniques are deployed to get the best business intelligence from the vast amount of transactional data collected on the JPay platform. JPay's Intel System, an ever-growing set of online tools (bundled free with JPay's offering), is used on a daily basis by correction agencies nationwide for profiling, fraud detection, surveillance and criminal investigations. Intel teams are given tools to detect networks and relationships that are deemed suspicious and need immediate attention.

Customized Alerts

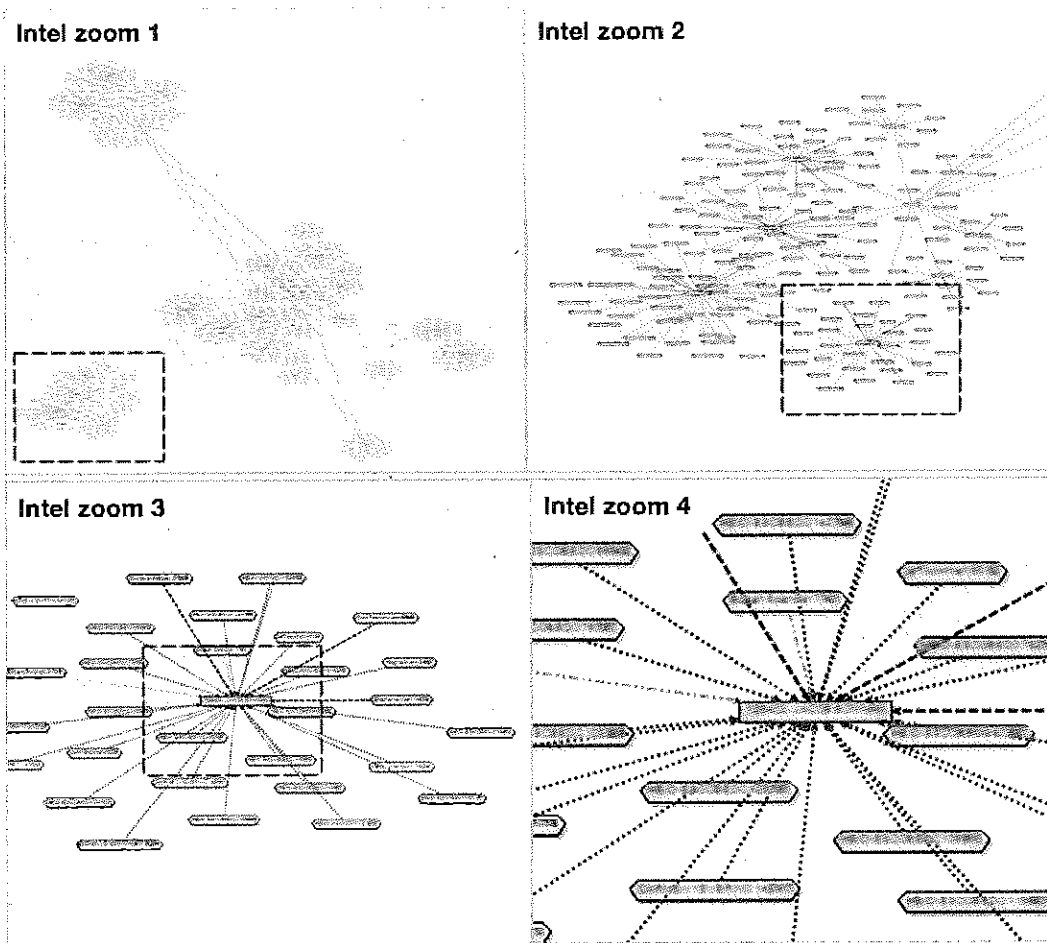
Correctional staff can customize their own set of alerts based on inmate and customer activity. For example, a staff member may choose to receive an alert if multiple inmates are receiving eMessages or money from one customer. The JPay system will alert the staff member via email or SMS whenever this customer uses the system to send a deposit or eMessage to an inmate. This introduces an unprecedented level of detection capability to correctional staff.

Cross Jurisdictional Analysis

Another element of data mining lies in the data management itself. JPay currently works with over 20 state correctional agencies and numerous county agencies throughout the country. In conformance with each agency's rules and regulations, JPay is able to share a majority of jurisdictions with users who generate cross-border investigation results. This has been a tremendous success for bordering corrections agencies. When investigations are under way, investigators will often require detailed information about the transactions that took place outside of their jurisdiction. Gang activity has been uncovered on multiple occasions using this shared information.

Graphical Mapping

What used to take investigators countless hours is performed with the click of a button, and using a subset of data far greater than any human can analyze. With the Intel Mapping feature investigators can quickly see an inmate or customer's transactional network saving hundreds of hours spent per incident or case.



Investigators can use this tool to identify gangs or other Security Threat Groups. In addition, financiers or other members of the group on the outside are not only identified but their full transaction history or eMessage history is at the investigators fingertips. This system has proven itself time and time again in correctional agencies across the country.

3.10 DOCUMENTATION

3.10.1 Detailed technical system documentation and system design specifications, descriptions of all proposed kiosk hardware and software, operating instructions, footprints, power and environmental requirements, model numbers, makes, serial numbers, electrical and grounding requirements, temperature and humidity ranges, software components and features, etc.

The JPay Team has read, understands and agrees to comply.

Attached please find the following documentation:

- JP3 User Manual
- Kiosk "How-To" Signage
- JPay Change Management Plan

3.10.2 As applicable, prior to production implementation, the successful vendor shall provide to the DOC detailed technical system documentation, detailed system design specifications, descriptions of all proposed kiosk hardware and software, operating instructions, footprints, power and environmental requirements, model numbers, makes, serial numbers, electrical and grounding requirements, temperature and humidity ranges, software components and features, etc.

The JPay Team has read, understands and agrees to comply.

Additional documentation shall be provided prior to production implementation.

4. PROJECT TERMS AND CONDITIONS

4.1 Contractual Special Terms and Conditions

4.1.1 *Participating Addendum – Individual Participating States may, through a Participating Addendum, limit:*

4.1.1.1 *The awardees;*

The JPay Team has read, understands and agrees to comply.

4.1.1.2 *Available financial vehicles;*

The JPay Team has read, understands and agrees to comply.

4.1.1.3 *Equipment Groupings, segments, models, standardized configurations, available accessories, available software;*

The JPay Team has read, understands and agrees to comply.

4.1.1.4 *Exclusion of geographical areas;*

The JPay Team has read, understands and agrees to comply.

4.1.1.5 *As well as additional items as deemed necessary by the Participating State.*

The JPay Team has read, understands and agrees to comply.

4.1.1.6 *States may also, through the Participating Addendum, expand or restrict these options for Participating Political Subdivisions.*

The JPay Team has read, understands and agrees to comply.

5. COMPANY BACKGROUND AND REFERENCES

5.1 PRIMARY VENDOR INFORMATION

Vendors must provide a company profile. Information provided shall include:

5.1.1 Company ownership (sole proprietor, partnership, etc).

5.1.1.1 Incorporated companies must identify the state in which the company is incorporated and the date of incorporation. **Please be advised**, pursuant to NRS §80.010, incorporated companies must register with the State of Nevada, Secretary of State's Office as a foreign corporation before a contract can be executed between the State of Nevada and the awarded vendor, unless specifically exempted by NRS §80.015.

JPay Inc. was incorporated on December 3, 2002 in the State of Delaware. JPay is registered as a foreign corporation with the State of Nevada Secretary of State's Office, Entity # E0237802011-8.

5.1.1.2 The selected vendor, prior to doing business in the State of Nevada, must be appropriately licensed by the Office of the Secretary of State pursuant to NRS §76. Information regarding the Nevada Business License can be located at <http://sos.state.nv.us>. Vendor's must provide the following:

- Nevada Business License Number

NV20111282456

- Legal Entity Name

JPay Inc.

- Is "Legal Entity Name" the same name as vendor is doing business as?

Yes No

5.1.2 Disclosure of any alleged significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigation pending which involves the vendor or in which the vendor has been judged guilty or liable with the State of Nevada.

JPay has no significant prior or ongoing contract failures, contract breaches, any civil or criminal litigation or investigations pending and has never been judged guilty or liable with the State of Nevada.

5.1.3 Location(s) of the company offices and location of the office that will provide the services described in this RFP.

All services described in this RFP will be provided from JPay's Corporate Offices located in Miami, Florida.

5.1.4 Number of employees both locally and nationally.

JPay has approximately 110 employees both locally and nationally.

5.1.5 Location(s) from which employees will be assigned.

Employees will be assigned from JPay's Corporate Office in Miami.

5.1.6 Name, address and telephone number of the vendor's point of contact for a contract resulting from this RFP.

Errol Feldman
JPay Inc.
12864 Biscayne Blvd., Ste 243
Miami, FL 33181
Tel: 305.577.5543

5.1.7 Company background/history and why vendor is qualified to provide the services described in this RFP.

In 2002, as the dust settled from the dot-com bust, JPay was created with the mission to ease the burdens associated with inmate living by building and delivering smart and scalable software applications for the prison environment. The company first introduced a money transfer platform for trust account deposits, eventually complimenting the product with an inmate email system and then closed the gap by developing the complete inmate kiosk platform. Kiosk applications have been introduced one at a time and now include digital music delivery, Internet video visitation, inmate banking, commissary ordering and other various custom applications requested over time by our correctional partners.

Here is why JPay is better than the competition:

1. Our kiosks are designed to host each application and designed to be placed through the housing units of the facilities, making every application easily accessible to every inmate. This model allows for maximum exposure of the program to the DOC's inmates. Without this exposure, adoption and continued usage would be minimal, as is evidenced in the competitors' low adoption/usage.
2. Besides having the kiosk with all its applications readily available to all inmates, JPay prices its JP3 player at a price that is affordable to everyone. This approach garners huge adoption, as is evidenced by the company's recent rollout.
3. We develop and maintain all of our applications in-house. Typically, large companies who do not specialize in this product offering partner with a third party to provide the service. As a result, the integration is rocky, there is a degradation in customer service, the product suffers and ultimately the DOC suffers. JPay is in full control of its product – from design to deployment.
4. By controlling our development resources, JPay has the ability to enhance its product in ways others cannot. This puts JPay in the best position to offer products that the DOC may envision.
5. Inmate Services is our core business. No other company in the field can say the same.

5.1.8 *Length of time vendor has been providing services described in this RFP to the public and/or private sector. Please provide a brief description.*

For the past 9 years, JPay has been offering its services exclusively to the corrections industry including government agencies as well as private prisons.

5.1.9 *Has the vendor ever been engaged under contract by any State of Nevada agency?*

Yes [] No *If "Yes," specify when, for what duties, and for which agency.*

JPay has been providing electronic fund transfer for the Nevada Department of Corrections since 2003. In 2009 JPay also began offering inbound eMessaging and debit cards for released offenders.

5.1.10 *Is the vendor or any of the vendor's employees employed by the State of Nevada, any of its political subdivisions or by any other government?*

[] Yes No

5.1.11 Resumes for key staff to be responsible for performance of any contract resulting from this RFP.

Lee Posner, Client Services Manager

12864 Biscayne Blvd • Ste 243 • Miami, FL 33181
305.358.8689 Ext. 250 • lposner@jpay.com

- Experience** **JPay Inc. Miami, FL** Sept. 2008- Present
Manager, Client Services
- Heads team of 7 client service professionals
 - Responsible for overall relationship
 - Implementation, training, marketing, troubleshooting
 - Recent Deployments: Illinois DOC, Washington DOC and the Kansas DOC
- Flagship Games International Hollywood, FL** Nov. 2006 - Feb. 2008
Director of Shipboard Programs
- Created/implemented training to familiarize teams with ship's procedures
 - Designed innovative programs which increased revenue by 15%
 - Communicated with individual ship-based contacts to develop new programs
- Education** **University of Florida Gainesville, FL** May 2002
Bachelor of Arts
Major - Criminology
- Reference** **North Dakota Department of Corrections** Nov. 2008- Present
- Successfully deployed eMessaging statewide in 45 days
 - Received exceptional reviews from the State
- Kansas Department of Corrections** Jan. 2009- Present
- Deployed electronic trust account deposits and inbound eMessaging
 - Supervises the installation of inmate kiosks statewide
- Ohio Department of Rehabilitation & Correction** Oct. 2009- Present
- Deployed electronic trust account deposits and eMessaging
 - Trains the DOC staff on how to use Facility System

Jessica Goeden, Program Manager

12864 Biscayne Blvd • Ste 243 • Miami, FL 33181

305.358.8689 Ext. 338 • JGoeden@jpay.com

- Experience** **JPay Inc. Miami, FL** Dec. 2009- Present
Program Manager – Professional Services
- Provides around the clock, exceptional customer service to correction agencies throughout the United States
 - Trains and supports the needs of correctional facility staff via live training and WebEx
 - Assists IT department both for maintenance and support
- Cormark, Inc. Des Plaines, IL** Jan. 2003- Aug. 2009
Project Manager
- Negotiated with vendors to achieve the best possible material costs to procure bids
 - Organized production lines to insure quality and time efficiency
 - Analyzed project time lines with the assistance of Gantt Charts to produce estimates
 - Worked with overseas factories to manage cost, production quality, and shipping requirements
 - Corrected inventory issues within our ERP system
 - Developed, assembled, and presented prototypes to clients
 - Directed fellow project managers in proper usage of Visual
 - Streamlined a \$3 million project supply chain resulting in a 50% decrease in inventory overhead
- Education** **Coast Carolina University Conway, SC** Aug. 2006
Bachelor of Science
Major- Business
- Reference** **Ohio Department of Rehabilitation and Correction** Dec. 2009- Present
- Designed Facility System Parameters based on DOC administrative requirements
 - Trains offenders on all aspects of the eMessaging Program
- Kansas Department of Corrections** Dec. 2009- Present
- Provides technical support to DOC staff at Facilities statewide
 - Supervised installation and deployment of offender kiosks

Nestor Nuñez, Jr., Client Services Engineer

12864 Biscayne Blvd • Ste 243 • Miami, FL 33181

305.358.8689 Ext. 321 • nnunez@jpay.com

- Experience** **JPay Inc. Miami, FL** Nov. 2009- Present
Client Services Engineer
- Plans and executes deployment functions for inmate kiosks in assigned statewide correctional systems
 - Oversees and monitors operational status of kiosks nationwide
 - Gathers and reports Network Operations Center (NOC) level status of all inmate and lobby kiosks
 - Quality assurance for server functionality, agency configuration and hardware setup
- Lloyds Banking Group Miami, FL** Aug. 2007- Aug. 2009
IT Support Analyst
- Intercepted and resolved all incoming IT issues for customers before escalation
 - Monitored crucial operational servers and systems
 - Completed data retention and rotation procedures
 - Coordinated all Help Desk projects
- Education** **Georgia College Milledgeville, GA** May 2006
Master of Business Administration
- University of Florida Gainesville, FL** May 2003
Bachelor of Science
Major- Information Systems and Operations Management
- Reference** **Kansas Department of Corrections** Nov. 2009- Present
- Trains internal IT staff as well as inmates following deployment of inmate kiosks statewide
 - Troubleshoots network connectivity
 - Designed equipment reboot methodology for remote maintenance
- Texas Department of Criminal Justice** Jan. 2010- Present
- Supervised installation of kite scanners in over 100 facilities
 - Remotely monitor and repair onsite hardware and software

Javier Pico, IT Integrations Support Manager

12864 Biscayne Blvd • Ste 243 • Miami, FL 33181
305.358.8689 Ext. 229 • jpico@jpay.com

- Experience** **JPay Inc. Miami, FL** Sept. 2005- Present
IT Support
- Provides upper tier technical and customer support
 - Oversees daily technical file transfers between JPay and clients
 - Installs and troubleshoots on-site and off-site technical equipment
 - Over 4 years of technical help desk experience specifically for correctional facilities
- Sunshine Call Center Coral Gables, FL** Mar. 2003- Aug. 2005
Assistant Engineer
- Responsible for PBX and voice over IP technology
 - Designed and implemented new call recording systems
 - Supervised training for new hires
 - Maintained emergency response computer repair team
- Education** **Miami Dade College Miami, FL** May 2008
Major- Computer Information Systems
- Reference** **Illinois Department of Corrections** Dec. 2009- Present
- Oversees daily deposit file transfer for Electronic Deposits between the DOC and JPay
 - Provides technical support to DOC staff
- Indiana Department of Correction** Oct. 2007- Present
- Provides upper level technical help desk support to DOC facilities
 - Manages daily file transfers

5.1.12 Financial information and documentation to be included in Part III of your response in accordance with the Submittal Instructions.

This information has been provided under separate cover, as requested.

5.2 REFERENCES

Vendors should provide a minimum of three (3) references from similar projects performed for private, state and/or large local government clients within the last three years.

JPay requested that the following three clients submit references directly to the Purchasing Division:

5.2.1 Client name;

Georgia Department of Corrections

5.2.2 Project description;

JPay collects inmate trust account deposits, community supervision deposits and release debit cards for the DOC. JPay also provides inmate kiosks at several facilities that let inmates download music onto a JP3 player, send and receive eMessages and conduct video visits.

5.2.3 Project dates (starting and ending);

January 2009 - Present

5.2.4 Technical environment; (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware)

JPay has installed wireless mesh networks at facilities where inmate kiosks are deployed.

5.2.5 Staff assigned to reference engagement that will be designated for work per this RFP; and

Lee Posner, Manager Client Services
Jessica Goeden, Program Manager
Javier Pico, IT Integrations Support Manager

5.2.6 Client project manager name, telephone number, fax number and e-mail address.

Name: Mitzi J. Richards
Tel: 478.992.6287
Fax: 404.463.1792
Email: richam00@dcor.state.ga.us

5.2.1 Client name;

Michigan Department of Corrections

5.2.2 Project description;

JPay has provided electronic deposits and inbound eMessaging solutions statewide since February 2009 and added release debit cards in March 2009. JPay's inmate kiosks are installed across several facilities throughout the State that let inmates view and send outbound eMessages.

5.2.3 Project dates (starting and ending);

February 2009 - Present

5.2.4 Technical environment; (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware)

JPay has installed wireless mesh networks at facilities where inmate kiosks are deployed.

5.2.5 Staff assigned to reference engagement that will be designated for work per this RFP; and

Lee Posner, Manager Client Services
Jessica Goeden, Program Manager

Javier Pico, IT Integrations Support Manager

5.2.6 *Client project manager name, telephone number, fax number and e-mail address.*

Name: Deborah Kline
Tel: 517.373.3821
Fax: 517.373.3882
Email: klineda@michigan.gov

5.2.1 *Client name;*

North Dakota Department of Corrections

5.2.2 *Project description;*

JPay provides two-way eMessaging via inmate kiosks.

5.2.3 *Project dates (starting and ending);*

September 2008 – Present

5.2.4 *Technical environment; (i.e., Software applications, Internet capabilities, Data communications, Network, Hardware)*

In order to best accommodate the existing infrastructure in North Dakota, JPay's inmate kiosks operate through a variety of technical environments. Three facilities operate strictly on JPay-provided networks, two of which are wireless while the other uses a cable connection. A fourth facility allows JPay to use the DOC's network.

5.2.5 *Staff assigned to reference engagement that will be designated for work per this RFP; and*

Lee Posner, Manager Client Services
Javier Pico, IT Integrations Support Manager

5.2.6 Client project manager name, telephone number, fax number and e-mail address.

Name: Patrick D. Branson
Tel: 701.328.6214
Fax: 701.328.6651
Email: pbranson@nd.gov

5.3 SUBCONTRACTOR INFORMATION

5.3.1 Does this proposal include the use of subcontractors?


Yes _____ No X Unknown _____

6. STATE DOCUMENTS

Profiting from Prisoners

Prison bankers cash in on captive customers

Inmates' families gouged by fees

By Daniel Wagner  5:00 am, September 30, 2014 Updated: 10:07 am, November 11, 2014



The Center for Public Integrity traveled around the U.S. to investigate the growing web of prison bankers, private vendors and corrections agencies ... and how they profit off the innocent by shifting costs onto inmates' families. **Video by Eleanor Bell.** **Share this video on Facebook and Twitter.** CNBC was a partner in this reporting and shot some of the general footage. Read the video transcript.

545 likes

677 tweets

[Comment](#) [Email](#) [Print](#)

Editor's note: This is the first in a two-part series examining how financial companies charge high fees to the families of prison inmates. The second part, which will run Thursday, focuses on no-bid deals between Bank of America and JPMorgan Chase & Co. and the U.S. Treasury, under which they provide financial services to the federal Bureau of Prisons. This piece is part of a joint investigation with CNBC, whose coverage can be found here.

JOHNSON CITY, Tenn. — Pat Taylor doesn't believe in going into debt. She keeps her bills in a freezer bag under her bed, next to old photo albums, and believes in paying them on time religiously. For Taylor, living within your means is part of being a good Christian.

Lately, Taylor, 64, has felt torn between that commitment and her desire to be a loving, supportive mother for her son Eddie.

Eddie, 38, is serving 20-year prison sentence at Bland Correctional Center for armed robbery. He's doing his time at a medium-security Virginia state prison located 137 miles northwest of Johnson City, across the dips and valleys of the Blue Ridge Mountains here in the heart of Appalachia. The cost of supporting and visiting Eddie keeps going up, so Pat makes trade-offs.



Pat Taylor holding a picture of her son, Eddie, who is serving 20-year prison sentence at Bland Correctional Center in Virginia. Eleanor Bell/Center for Public Integrity



Inside the virtual tollbooth at many U.S. prisons

By Daniel Wagner, Eleanor Bell Fox and Sarah Whitmire October 1, 2014

Don't miss another investigation

Sign up for the Center for Public Integrity's Watchdog email and get the news you want from the Center when you want it.

"I would send him money even if it broke me, because I do go without paying some bills sometimes to go see him," Pat says.

"They're punishing the families, not the inmates."

Between gas to make the trip and overpriced sandwiches from the prison vending machine, visiting Bland costs about \$50, a strain on her housekeeper's wages. So she alternates, visiting Eddie one week and sending him money the next.

To get cash to her son, Pat used to purchase a money order at the post office for \$1.25 and mail it to the prison, for a total cost of less than \$2. But in March of last year, the Virginia Department of Corrections informed her that JPay Inc., a private company in Florida, would begin handling all deposits into inmates' accounts.

Sending a money order through JPay takes too long, so Taylor started using her debit card to get him funds instead. To send Eddie \$50, Taylor must pay \$6.95 to JPay. Depending on how much she can afford to send, the fee can be as high as 35 percent. In other states, JPay's fees approach 45 percent.

After the fee, the state takes out another 15 percent of her money for court fees and a mandatory savings account, which Eddie will receive upon his release in 2021, minus the interest, which goes to the Department of Corrections.

Eddie needs money to pay for basic needs like toothpaste, visits to the doctor and winter clothes. In some states families of inmates pay for toilet paper, electricity, even room and board, as governments increasingly shift the costs of imprisonment from taxpayers to the families of inmates.

"To give him \$50, I have to send \$70 off my card," says Taylor, who moved to a smaller apartment on the outskirts of Johnson City in part because of the rising cost of supporting Eddie.

"They're punishing the families, not the inmates."

Price of prison

JPay and other prison bankers collect tens of millions of dollars every year from inmates' families in fees for basic financial services. To make payments, some forego medical care, skip utility bills and limit contact with their imprisoned relatives, the Center for Public Integrity found in a six-month investigation.

Inmates earn as little as 12 cents per hour in many places, wages that have not increased for decades. The prices they pay for goods to meet their basic needs continue to increase.

By erecting a virtual tollbooth at the prison gate, JPay has become a critical financial conduit for an opaque constellation of vendors that profit from millions of poor families with incarcerated loved ones.

- Pat Taylor, whose son Eddie is serving 20-year prison sentence at Bland Correctional Center in Virginia

Key findings:

More and more often, it falls to families of prison inmates to pick up the rising cost of basic items like toiletries and winter clothes. Adding to the squeeze, private companies often charge exorbitant fees to send the money.

SHARE THIS:

In 12 years, JPay Inc. has taken over much of the market for sending money to prisoners — it's now the only option for 450,000 inmates. SHARE THIS:

JPay shares its profits with prison systems, boosting the costs paid by families and forcing them to choose between sending money and paying their bills. SHARE THIS:

Some people arrive in jails with negative account balances thanks to fees assessed by the prison system. This forces families to pay large sums before their locked-up relative receives any money to spend. SHARE THIS:

To get funds to incarcerated relatives, families once relied on mailing money orders, a low-cost option. Since JPay took over financial services in many prisons, money orders are slower and families feel pressured to use a higher-fee option offered by JPay.

SHARE THIS:

Your gift keeps us reporting

JPay streamlines the flow of cash into prisons, making it easier for corrections agencies to take a cut. Prisons do so directly, by deducting fees and charges before the money hits an inmate's account. They also allow phone and commissary vendors to charge marked-up prices, then collect a share of the profits generated by these contractors.

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Taken together, the costs imposed by JPay, phone companies, prison store operators and corrections agencies make it far more difficult for poor families to escape poverty so long as they have a loved one in the system.



Prison banker cuts fees after Center report

By Daniel Wagner November 12,

2014

Shifting costs to families

"It's not just the money transfer that's the problem, it's the system it enables to shift costs onto families," says Lee Petro, an attorney who helped litigate for a national cap on some prison phone rates. Without companies like JPay, he says, "it would be much harder to take money from families and make families of inmates pay their own keep."

In 12 years, JPay says it has grown to provide money transfers to more than 1.7 million offenders in 32 states, or nearly 70 percent of the inmates in U.S. prisons.

For the families of nearly 40 percent of those prisoners, JPay is the only way to send money to a loved one. Others can choose between JPay and a handful of smaller companies, most of them created by phone and commissary vendors to compete with the industry leader. Western Union also serves some prisons.

JPay handled nearly 7 million transactions in 2013, generating well over \$50 million in revenue. It expects to transfer more than \$1 billion this year. (The company declined to provide any financial details; those included in this article are culled from public records and interviews with current and former employees.)

"We invented this business," said Ryan Shapiro, 37, the company's founder and CEO, in a phone interview in June. "Everyone else tries to imitate what we did, and they don't do it as well."

Shapiro says working with corrections includes extra costs for security and software integration. He says he charges only as much as he must to maintain a razor-thin profit margin.

But others provide similar services for less.

NIC Inc., a competitor that helps states set up their websites, charges a flat fee of \$2.40 in Maine to send money to inmates. Until recently, Arkansas charged 5 percent to send money through the state's own Web portal. Floridians



pay a fee of 3.5 percent to handle traffic tickets online.

JPay CEO Ryan Shapiro in his office north of Miami, Florida.
Eleanor Bell/Center for Public Integrity

Despite its kudzu-like growth, JPay so far has avoided scrutiny by consumer regulators.

In response to questions for this story, however, the New York Department of Financial Services' consumer division is reviewing the company's practices, according to a person familiar with the matter. The person spoke on condition of anonymity because he is not allowed to discuss active investigations.



Megabanks have prison financial services market locked up

By Daniel Wagner October 2, 2014

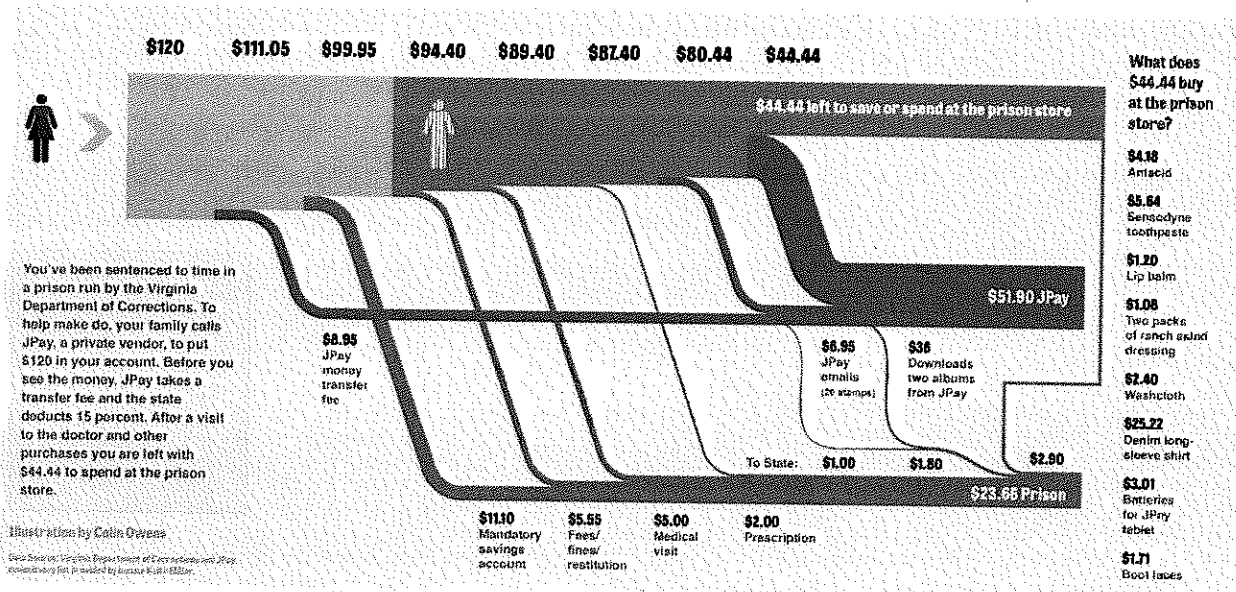
JPay's rapid rise stems in part from the generous deal it offers many prison systems. They pay nothing to have JPay take over handling financial transfers. And for every payment it accepts in these states — prisoners typically receive about one per month — the company sends between 50 cents and \$2.50 back to the prison operator. These profit-sharing arrangements, which vendors offer as deal-sweeteners in contract negotiations, are known in the industry as "commissions."

JPay's payments to Illinois last year came to about \$4,000 a month, according to documents obtained under the state's open records law.

Jails often deduct intake fees, medical co-pays or the cost of basic toiletries first, leaving the account with a negative balance. This prevents inmates from buying "optional" supplies like stationery or sturdier shoes until they have paid down the debt.

Such charges levied by jails for common items are not new. The practice began prior to the rise of JPay, mainly with phone companies and operators of prison stores. But by automating the process, prison bankers make it a lot easier.

How far does \$120 go when sent to a Virginia prison inmate?



\$100 underwear

Negative account balances discourage cash-strapped people from helping relatives, says Linda Dolan, 58, a manager for a defense contractor in California. Last year, when her son was sentenced to 20 days in jail in St. Lucie County, Florida, for reckless driving, Linda wanted to buy him a second pair of underwear and socks. But the county's intake fee and daily "rent" already had put the account about \$70 in the red. Linda and her husband both were out of work and couldn't afford to pay \$100 for a pair of underwear.

"If relatives are putting money on somebody's books while they're an inmate, it's to help them buy necessities," Linda says. "I didn't think it was right that the county was stealing the money."

Capt. William Lawhorn of the St. Lucie County sheriff's office said that inmates are charged a \$25 initial booking fee, \$3 a day for "subsistence" and medical co-pays, all of which can result in a negative balance. He said nobody is denied any type of needed service or care, and when inmates do have money, it's used for candy and other junk food. Inmates in the county receive payments through Touchpay, a JPay competitor that often partners with foodservice giant Aramark.

Funding prisons out of the pockets of families and inmates has non-financial costs too, says Brian Nelson, who spent 28 years in an Illinois state prison for murder. Nelson says he has "become an asset to society" since he was released four years ago because he stayed in touch with family and priests even when he was in solitary confinement. When inmates can't afford to maintain contact with the outside world, he says, they are less equipped to transition smoothly to civilian life.

The effect on poor families is especially harsh, Nelson says: "It's a wife that has three children at home, and her husband is in jail, so now she has a choice: Do I send money to him so he can afford to stay in touch with the kids, or do I feed the kids?"

Inmates' need for money is inescapable, Nelson says. Those in northern Illinois are not issued cold-weather clothes, he says, leaving them vulnerable to frostbite unless they can get money to pay for prison-approved long underwear and boots.

Razor thin margins

JPay founder Shapiro is eager to tell his company's story and how he believes it helps families. It's not just about faster payments. Once an inmate gains access to the money, JPay offers several ways to spend it, including pay-per-page e-messaging, music downloads and MP3 players. When inmates in some states are released, they receive their remaining money on JPay-branded payment cards that carry higher fees than those on most consumer payment cards.



Debit cards slam released prisoners with sky-high fees, few

protections

By Amirah Al Idrus September 30, 2014

Shapiro says that if his fees were any lower, his company would lose money. He declined to make the company's financial details available and would not say how much he is paid.

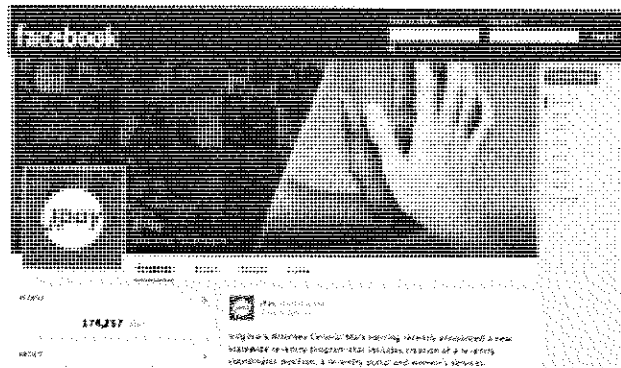
Shapiro serves on the board of a foundation that advocates for inmates and carries full-page ads for JPay in its newsletters. The foundation received an \$85,400 gift directly from JPay's corporate treasury in 2009.

He lives on a tiny harbor island near the northern tip of Miami Beach in a home he bought for about a million dollars. Last year, through a company he controls called El Caballero LLC., Shapiro bought a custom powerboat, dubbed Sea Block, that retails for a half-million dollars.

Heading to the company's headquarters one July morning, he stopped first for CrossFit, a military-style training regime that he enjoys because it brings out his competitive side, then for daily prayer.

Families who use JPay love the company, he says. He boasts of its well-trafficked Web forum and of the 174,000 "likes" on its Facebook page, where its marketers post cheery articles about incarceration. "The Jail Cats program at Gwinnett County Detention Center in Georgia is rescuing kittens and helping to rehabilitate incarcerated women," one recent post read.

"We go out of our way to make sure that they feel comfortable — that, you know, you're spending money with a company that cares about you," Shapiro says.



A screenshot from the JPay facebook page, accessed at 2:52 p.m., Sept. 26, 2014. JPay/Facebook

If people don't want to pay his fees, Shapiro says, they can always mail a money order, except in the "couple of states" that now charge fees for them.

Nearly 400,000 people are imprisoned in states where there is no free deposit option, a fact Shapiro was unaware of during a series of interviews this summer.

"When it's up to us, it's absolutely free," he says.

Slow-moving money orders

For the first 14 years of Eddie's sentence, Pat Taylor mailed money orders directly to the prison at no charge beyond the cost of the money order and a stamp. Then last year, she was instructed to make the money order out to JPay and send it to a Florida post office box. The company would credit it to Eddie's account.

Under the new system, she says, it would take weeks for Eddie to see funds sent via money order. So Pat, like nearly everyone else she knows, gave in and began paying \$6.95 to send the money from her debit card.

Across the country, delays and other obstacles make the "free option" inaccessible to many families, the Center found. More than a dozen families in five different states said that money orders have been credited much more slowly since JPay took over.

Shapiro says he is "absolutely shocked" by the complaints that money orders are delayed because he had never heard of such problems before. Most money orders are processed within two to three days, he said, unless the person sending money fails to fill out the form properly. He said Virginia is especially efficient and processes money orders within 24 to 48 hours.

"We are not slowing it down, there is no conspiracy," he said.

He said JPay does "want people to convert from a money order customer to a digital customer, absolutely," but only because electronic payments are more efficient. "We're not trying to make an extra dollar everywhere we can," Shapiro said.

Before JPay, Virginia prisons credited money orders to inmates' accounts in roughly three days, families say. Today, money orders can take more than a month to reach an inmate's account, Marvin Rodriguez-Barrera, an inmate at Virginia's high-security Red Onion State Prison, wrote in a letter to prisoners' rights advocates in February.

Faster to Guatemala

"I am from Central America, and it is cheaper for my family, and easier, to send money to Guatemala than for my family to send me money from this very state!" Rodriguez-Barrera wrote. "The old way of using money orders was cheaper, easier and in many instances faster."

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Those seeking to avoid the fees by sending a money order must print and fill out a JPay-provided form whose instructions are dwarfed by large print barking at them to “Put down your pen! Put away your car keys!” because “There’s a faster way to send money, go to JPay.com and sign up now!”

The aggressive marketing has worked. One former marketing director for the company lists as a key accomplishment on his LinkedIn profile that he “Converted 78 percent” of money order users to online users, boosting the company’s annual revenue by \$985,000.

Shapiro said the information in the profile, including the former employee’s title, was inaccurate. He said he didn’t have data on how many money order users convert to electronic payments or how much revenue the company gains when they make the switch.

Inside JPay’s secure, fishbowl-like money order processing room, reams of envelopes sit in postal bins on the shelves. Signs around the room remind the handful of workers employed there which states allow them to deduct a fee and which offer the service for free.

In Pennsylvania, the first state where JPay accepted money orders by mail, executives were surprised to see the number of money orders plunge by two-thirds in the first two months, Chief Financial Officer Mark Silverman explained in a brief interview.

Shapiro said that Missouri used to process 30,000 money orders a month before JPay came in.

“With JPay, we drove that down to only 1,000 people sending money,” he says. “And that’s by choice.”



A view of JPay’s call center where customer service agents answer questions of inmates’ families. Eleanor Bell/Center for Public Integrity

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JPay’s marketing materials urge customers to choose the higher-cost option. During her twice-monthly visits to Bland, an isolated work camp nestled between rolling, green hills, Pat Taylor now sees JPay-branded fliers warning of the misery awaiting anyone who tries to use the “free option.”

On one side, a multi-ethnic lineup of models bury their faces in their hands and complain of what a “nightmare” it was to complete the money order, how it got lost or delayed.

“There’s a better way,” the flier promises on the reverse side, which depicts an attractive young woman seated with her laptop computer. For “Faster, Easier, Next-Day Delivery,” families can choose from a menu of high-fee options.

Whatever your reason. There's a better way.



"My money order
got lost."



"My money order
showed up 4 days late."



"My money order is a
nightmare to complete."



"My money order was
rejected."

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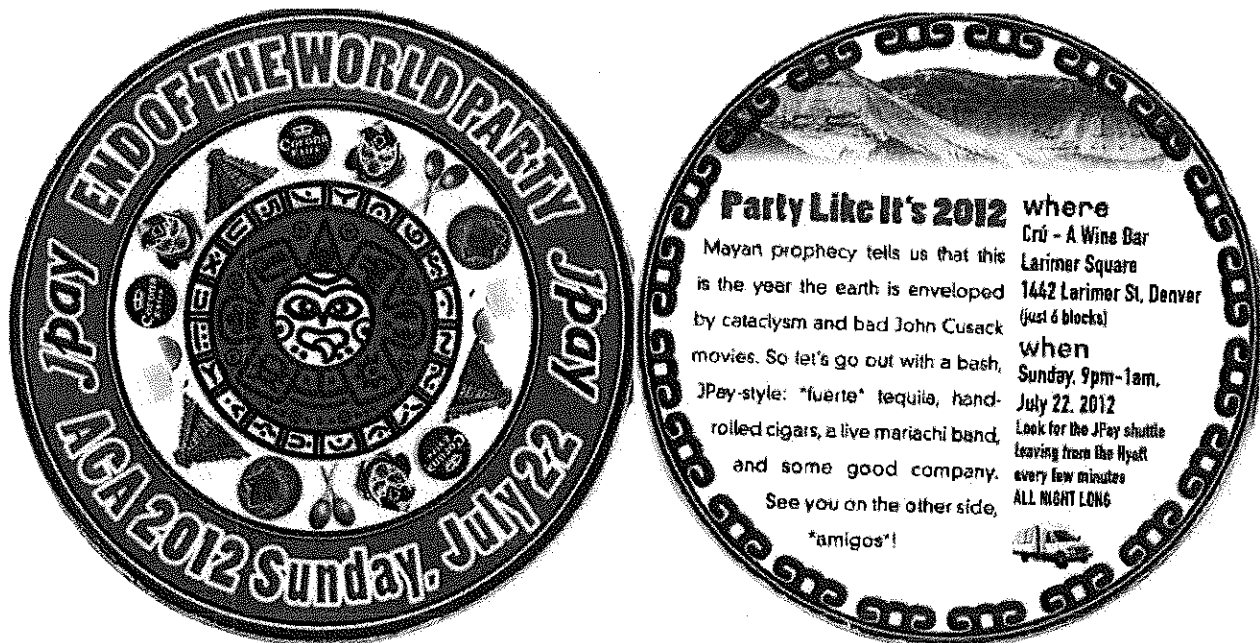
A JPay information card distributed at Bland Correctional Center in Virginia and other prisons. JPay Inc.

Tequila, cigars and lobbying

To impress state corrections officials and gain their business, JPay spends heavily on industry conventions attended by agency heads with contracting authority. During a 2012 convention of the American Correctional Association, the company threw what it called an "END OF THE WORLD PARTY" at a Denver wine bar that bills itself as "about you, and your inalienable right to the unbridled enjoyment of food and wine."

The invitation, printed on a disposable beer coaster, promised "a bash, JPay-style: *fuerte* tequila, hand-rolled cigars, a live mariachi band."

Conventioners could catch a JPay shuttle leaving from the hotel "ALL NIGHT LONG," it said.



A coaster advertising an "End of the World" party thrown by JPay. JPay Inc.

For years, JPay has sponsored an award for former state corrections directors presented by the Association of State Correctional Administrators, paying for the recipient's trip and a Wexford crystal bowl inscribed with the honoree's name.

JPay's outreach extends to state legislatures as well, even though many of the company's contracts forbid it from using fee revenue to lobby. The company has hired registered lobbyists in at least seven states. Shapiro says JPay's lawyers approved the use of company funds for that purpose.

In Ohio, it tapped Thomas Needles, a former aide to President George H. W. Bush. Needles gives generously to Republican candidates and also lobbies for for-profit universities. In Maryland, JPay hired Bruce Bereano, one of the state's best-paid lobbyists, who was disbarred after a 1994 conviction for overbilling his clients and using the money for campaign donations.

The company also sought to lobby Washington for access to the federal Bureau of Prisons' 216,000 inmates — what Shapiro has called “the mother ship of all contracts,” which is now held by Bank of America.

It spent \$20,000 in 2012 to hire Park Strategies, run by former U.S. Sen. Alfonse D'Amato of New York, in an effort to obtain the contract. That effort was not successful.

More inmates, smaller budgets

JPay was founded in 2002, just as the U.S. prison population neared the apex of a three-decade climb that more than quadrupled the number of inmates in state prisons. Shortly thereafter, as the economy went into recession, state budgets were squeezed and officials looked more aggressively for ways to cut spending on prisons.

Already, private vendors had stepped in with a solution: They would charge prisoners sky-high prices for phone services, snack foods, hygiene products and clothing, then return a large cut back to the prisons — often 40 percent or more.

Shapiro was the first entrepreneur to see how financial services might provide another stream of revenue. For a fee, he offered to deliver cash in ways that saved time and effort for corrections agencies, and often to give them a

“My industry has abused the public and I'm willing to admit that.”

- Vincent Townsend, president, Pay-Tel Communications, a prison phone company



Vincent Townsend, president, Pay-Tel Communications, a prison phone company Eleanor Bell/Center for Public Integrity

portion of the proceeds, just as the phone and commissary companies were doing.

"When we started, the states were very much saying to us, 'There's no need for procurement here because there's no one else doing what you do,'" Shapiro said in a 2012 interview. Ten years later, he said, all of them were asking companies to submit bids for the work.

That doesn't mean the door is open to competitors. Most states, including Virginia, now contract with JPay or its main competitor under a master agreement negotiated by Nevada in 2011 on behalf of a multi-state consortium. Participating states can simply sign on to the deal with one or both of the companies without the hassle of separately determining the best company for the job.

JPay is protected from other market forces, as well. When states offer its music players and tablet computers for sale to inmates, they often confiscate radios that people already own, according to inmates in Ohio. This leaves inmates dependent on JPay's music downloads, which can cost 30 to 50 percent more than the same songs on iTunes, inmates say.

The profit-sharing arrangements are at the core of JPay's origin story, Shapiro said in 2012. A couple of years out of college, he spent months driving around upstate New York, pitching JPay to "every sheriff, whether they had five inmates or 100 inmates" — without success.

Then someone in Passaic County, New Jersey, suggested that they offer the county 10 percent of their revenue, "so the jail would be less of a tax burden on the community." The warden signed up on the spot.

Critics including Alex Friedmann, associate director of the Human Rights Defense Center, an inmates' advocacy group, says the profit-sharing amounts to a legal kickback. "They charge exorbitant fees then kick back a percentage of their revenue. ... The company doesn't need that for profit," Friedmann said.

Shapiro says he prefers the term "commission" because "the word kickback has a negative connotation, and it seems like some person is making that money and pocketing it and buying a Chevrolet or something, when in fact it's going to use for the benefit of inmates — basketball hoops, volleyball, whatever."

Most states put their share of the cash in an "Inmate Welfare Fund" that is supposed to be used for inmate benefits beyond what is guaranteed to them by law. As incarceration rates climbed, however, the definition of "inmate benefit" drifted, says Justin Jones, who was director of the Oklahoma Department of Corrections until last year.

"The Legislature allowed us to broaden the definition of inmate welfare and it got to the point, almost anything they would fund through appropriations could now be paid for as inmate welfare," he says. "It ended up where we started using that money if an inmate went out to medical on an emergency

and medical was end-of-year short," he says. "We bought air conditioners, ice machines, X-ray machines."

Jones was not a fan of the system. If legislatures want to impose longer prison sentences or "if they create new crimes, then the legislature should appropriate dollars for that," he says. "I should not have to go in and redefine and stretch the definition of inmate welfare accounts."

Double dipping

Taken together, JPay and other prison vendors create a system in which families are paying to send the money, and inmates are paying again to spend it, says Keith Miller, who is serving 21 ½ years at Bland for a series of drug-related, violent crimes committed in his early 20s. The earliest he may be released is 2021, when his mother will be 87 years old.

"The fact that [my mother] has to pay the fees to send the money and then the fact that [prison agencies] make a certain cut off it seems to me that [the prisons are] double-dipping into the money they're sending," he said in an interview at the prison. "It really doesn't make sense to me that this should be allowed."

Shapiro is skeptical that JPay's fees make much of a difference for inmates' families. He says companies that provide other services to inmates, such as phones and commissary, are the real problem.

"Compared to the commissary or phone revenue, we're just a drop in the bucket," he says.

That may be changing.

Last year, the Federal Communications Commission dusted off a 12-year-old petition filed by inmates' families who argued that prison phone rates were unfairly high, preventing them from maintaining contact with loved ones. The commission capped rates for many calls under its authority to ensure that pay-phone rates are just, fair and reasonable.

Mignon Clyburn, who was acting chairwoman of the FCC when it passed the rate cap and now serves as one of three commissioners, says the action was necessary because people are "making unspeakable sacrifices to stay in touch with their loved ones."



Keith Miller in his prison cell at Bland Correctional Center. Eleanor Bell/Center for Public Integrity



Jewel Miller calls JPay's customer service center from her home in Swords Creek, Virginia. Eleanor Bell/Center for Public Integrity

Vincent Townsend, president of Pay-Tel Communications, a major provider of phones for inmates, said his industry "abused the public."

'Ethical, right, moral'

Other prison vendors "better pay attention to what's ethical, right, moral," he said. "Because if you don't then some regulator's going to step in, and you're going to have to deal with it."

There is a crucial difference: The telephone industry is closely regulated by the FCC, which has explicit authority to set rates for pay-phone calls. Financial and consumer protection regulators have less power over pricing.

The Consumer Financial Protection Bureau can sue companies for offering unfair, deceptive or abusive financial services. The bureau declined more than a dozen requests to discuss specific issues related to prison financial services.

The Federal Trade Commission, which has consumer-protection authority and the power to ensure that markets are competitive, declined to comment "on specific companies or conduct."

Regulators in seven states have levied fines totaling \$408,500 against JPay for operating without a license. The actions were not designed to disrupt its business, according to the Conference of State Bank Supervisors, a trade group that represents these regulators in Washington.

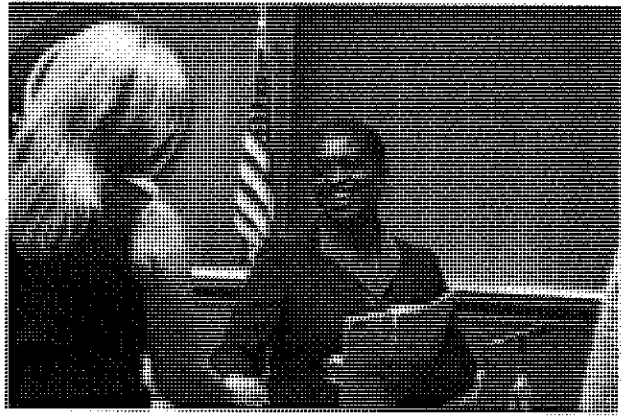
"State banking regulators are concerned with ensuring that businesses operating in their states are properly licensed and with enforcing applicable laws (including consumer protection laws)," the group's spokeswoman said in an emailed statement.

'Invent a better way'

Shapiro says he understands the challenges faced by poor families of inmates since JPay's startup days, when he would spend "hours on the phone with a grandmother, talking about her day at Wal-Mart."

He says he feels trapped by the structure of the industry he has come to dominate. He wishes the fees were lower, that states didn't force him to charge more and give them a share and that he could "invent a better way" than asking people's families to help pay for their imprisonment.

Yet Shapiro says he is satisfied to compete within what he admits is a broken system, even if the system may be punishing some innocent family members.



Mignon Clyburn, a commissioner and former acting chairwoman of the Federal Communications Commission.
Eleanor Bell/Center for Public Integrity

For many families, JPay has become that system. When Jewel Miller, 80, phoned JPay's call center last month to ask why her payments are delayed, and why she must submit the same form every time she sends a money order to Keith, the operator hung up on her.

In a series of interviews it became clear that Shapiro was unaware of some of the fees related to his business. He said he did not know, for example, that Florida now charges its own fee for money order deposits after JPay processes the payments.

These fees are spelled out in JPay's contracts with states, which Shapiro signed. Florida's says it will charge a 50 cent "Money Order by Mail" fee.

As of July, Shapiro was unaware of JPay's own \$1.95 fee to deposit money orders in Indiana, declaring, "If someone sends \$100 with a money order to an Indiana inmate, that inmate gets \$100. ... I am positive."

Two days later, he called back to say, "We're working with the states right now to get some of those fees taken off."

So far, the fees remain in place.

Eleanor Bell contributed to this story.

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The Colorado Department of Corrections plans to distribute GTL Inspire tablets to all 19,000 of its inmates by the end of this year.

Global Tel-Link Corporation

Prison Policy Group Blasts Colorado's "Free" Tablets for Inmates

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ALAN PRENDERGAST | JULY 7, 2017 | 9:36AM

Since we first reported back in February on the Colorado Department of Corrections' controversial plan to supply state prisoners with electronic tablets, the story has generated predictable responses from several media outlets, grouching about "pampered" convicts getting perks that many

(A+)

Initiative delves deeply into Colorado's tablet program and concludes that the arrangement strongly favors Global Tel-Link, the private company supplying the devices, at the expense of the inmates.

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The handheld devices are being distributed free of charge to every prisoner in the state system. They can be used for phone calls and messaging as well as to access video games and music. GTL, which also operates the prison system's current phone service, collects fees for each service, from 49 cents per message to up to twenty bucks a month for a music subscription. The idea was to make it easier for inmates to communicate with loved ones, connect with programming and manage other aspects of being incarcerated – while security features of the tablets would prevent

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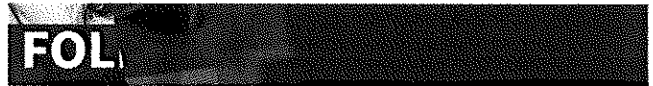
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But PPI's analysis of the state's contract with GTL concludes that the

deal invites price-gouging and promotes tablet services geared toward relieving boredom rather than providing substantive educational opportunities. "Failing to provide incarcerated people with useful technology through a well-thought-out program, the Colorado/GTL contract exploits consumers by obscuring important details, incentivizing private interests, and charging exorbitant fees," writes the report's author, Stephen Raheer.

GTL pays the DOC a flat \$800,000 a year for the right to supply phone services, tablets, video visitation and money transfers to its prisoners on an exclusive basis; in exchange, the company collects all the revenues generated by the services – fees that, the report points out, are often paid by low-income family members of indigent inmates. And except for complying with annoying FCC



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will. The 49-cent messages are apparently tied to the class of a first-class stamp, which Raher points out has no economic basis at all; the music charges are double what a free person would pay for Spotify or a similar service; and the game "rental" fees are well in excess of what it would cost to buy them online.

Although prison officials seem optimistic that the tablets can eventually be used to make vocational and educational programming available to inmates, Raher's own reading of the contracts suggests that some serious financial barriers exist to making that transition. He presents Colorado's experiment as a cautionary tale, "a case study in how new technologies can be implemented in ways that financially exploit incarcerated people and their support networks. Other jurisdictions should view the Colorado experience with caution and strive to develop better, more humane models for bringing prison communications into the 21st century."

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Ian Prendergast has
been a staff writer for
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This application provides a large database of local and national job opportunities to inmates. This database allows inmates to look for employment prior to their release.

Law Library

Allows inmates to educate themselves about their case, by finding state and federal cases, codes and litigations, jurisdiction specific codes, and more.

Podcasts

Provides both verbal and visual information to inmates that can benefit them. For example, categories may include but not be limited to: self-help, religious, vocation, education, and sports information.

Education Assistance

Enables inmates to take assessments towards GED testing, and receive classroom instruction in many subjects like English, Math, Science, and more.

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Religion

Offers publishing from a variety of religions, for spiritual guidance and growth.

Music

Provides categorical music to inmates which, depending on facility approval, may be streamed and stored on the tablet device.

EBooks

Provides access to books based on book type (i.e., fiction, non-fiction, adventure, etc.). The app allows an inmate to choose the book to read and upload it to his/her tablet device.

Inmate Services

This application gives inmates access to jail policies and procedures, real-time notices from staff, and a way to report issues.

Games

This application allows inmates to play over 25 different card games as well as Sudoku.

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Correction: Prison Tablets Story

Correction: Prison Tablets story.

May 11, 2017, at 1:10 p.m.

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AP

PIERRE, S.D. (AP) — In a story May 10 about tablet computers being distributed in South Dakota prisons, The Associated Press reported erroneously that the tablets would have access to a limited number of websites. Tablets available to inmates at the Minnehaha County Jail have such access, but tablets in the state prison system do not.

A corrected version of the story is below:

Tablets being distributed to men's prisons in South Dakota

Inmates in South Dakota's prison system are getting tablet computers

PIERRE, S.D. (AP) — Tablet computers will soon be available to every inmate in South Dakota's prison system.

The program is aimed at helping inmates access educational programs and maintain ties to friends and family, which experts say can help decrease rates of recidivism. Taxpayers won't be footing the bill for the touchscreen tablets, which are being given to the state Department of Corrections by telephone provider Global Tel Link. The tablets will be connected to a closed network, so inmates won't be able to access the internet or log into sites like Facebook or Twitter, The Argus Leader (<http://argusne.ws/2q2LQTh>) reported. For a charge, inmates will be able to talk to and text family and friends, though no photos or attachments will be allowed. Inmates also will have paid access to games, music and e-books through monthly subscriptions.

Colorado, Georgia and Indiana are among the states with similar programs.

Corrections officials said distribution of the tablets should be completed by mid-June at the men's prisons in Rapid City, Yankton, Springfield and Sioux Falls. Female inmates in Pierre already have the tablets.

Re-offense rates drop when inmates maintain family ties, so longer phone calls and messages through the tablets may be beneficial, according to state Department of Corrections Secretary Denny Kaemingk. He said tablets may also provide opportunities for GED and college-level courses, anger management programs and other instructional programs.

"Education's really going to be a strong feature for us here in South Dakota," Kaemingk said. "The more education someone receives, the lower the recidivism will be."

Phone calls and messages on tablets will be recorded and stored for potential monitoring. Department of Corrections policies will be uploaded to the tablets, along with legal libraries, complaint forms and all-prison messages.

The tablets will eventually be used to maintain inmate banking records and track purchases from the commissary.

Minnehaha County Jail also recently added some tablets. Lt. Mike Mattson of the local sheriff's office said with controls in place, the tablets are a clear positive for officers and inmates. He noted that unlike prison, where inmates have jobs to fill their time, jail inmates have little to do but sit.

"There's a lot of idle time in here," Mattson said. "If we can fill that idle time with positive things — or even just busy things — that's a lot better for us."

While state prison tablets are on a closed system, Minnehaha County jail prisoners will have access to six websites: Fox News, CNN, NASA, the White House, the Smithsonian and a Christian website called Crosswalk.

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New York sheriff defends letting inmates use tablets in jail

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The sheriff of Albany County in New York is defending himself over a program that gives inmates access to tablet computers in jail for a small fee.

CBS affiliate WRGB first reported on the initiative on Tuesday. Spearheaded by Sheriff Craig Apple, inmates at the Albany County Correctional Facility can use the tablets to connect to Wi-Fi, communicate with pre-approved contacts and use a variety of apps.

Some viewers and commenters reacted harshly to WRGB's initial report, objecting to the idea of allowing inmates to stream music or play games.

SOUND OFF: Would you support a program where jail inmates could use tablets to download music, books, games and interact with family members behind bars?

Posted by WRGB CBS 6 News, Albany on Tuesday, February 21, 2017

But Apple says he has no plans to end the program. He told WRGB on Wednesday that he expected the criticism, but defended the program as a way to boost jail revenue and keep inmates occupied.

"That's how the jail is operated and I'm not going to change that," Apple said. "I've been beaten up on Facebook before. I'll be all right."

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Dennis Nopper, an inmate in the Albany County Jail in New York, uses a tablet provided to inmates under a new program. / **WRGB**

Under the program, inmates can pay up to \$0.05 per minute to use the tablets, which are operated by a company called Telmate that takes a cut of the revenue. Apple says the income will help alleviate the \$42 million cost to taxpayers of running the jail.

"We run the jail like we run a business," he said.

Inmates can text and call up to 10 contacts who must be screened and approved by the company. Telmate monitors and stores data on the inmates' communications, providing the information to investigators.

"We have solved some crimes with those recordings," Apple said.

Apple also said it was unrealistic to expect inmates to have no communication with the outside world while in jail.

"The days of the '70s of just locking somebody down and cutting off them from the world are over," he said.

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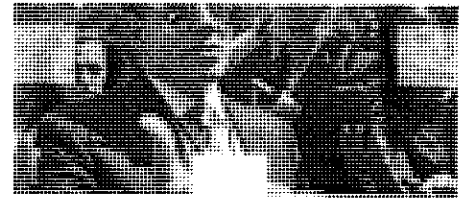
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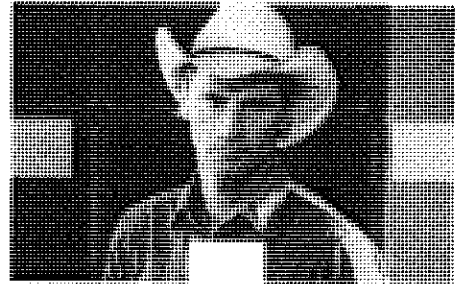
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8,000 Colorado inmates have free computer tablets — but cost of texts, calls and streaming media adds up

Program aims to reduce tension between inmates while offering them more educational opportunities and contact with friends and family



By **KIRK MITCHELL** | kmitchell@denverpost.com | The Denver Post

PUBLISHED: May 9, 2017 at 5:30 am | UPDATED: May 10, 2017 at 7:51 am

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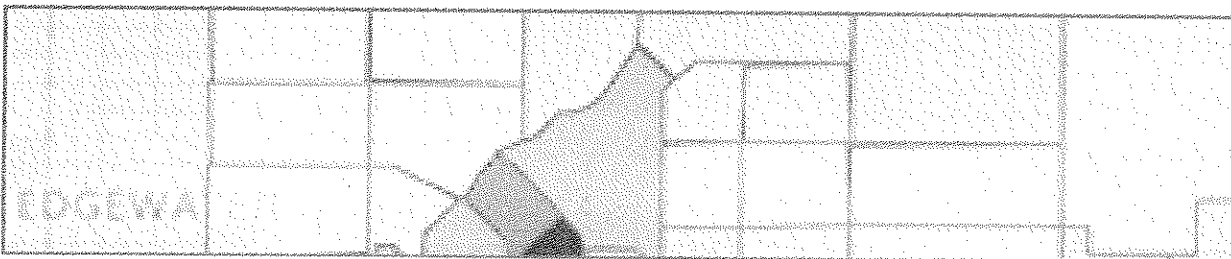
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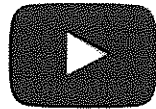
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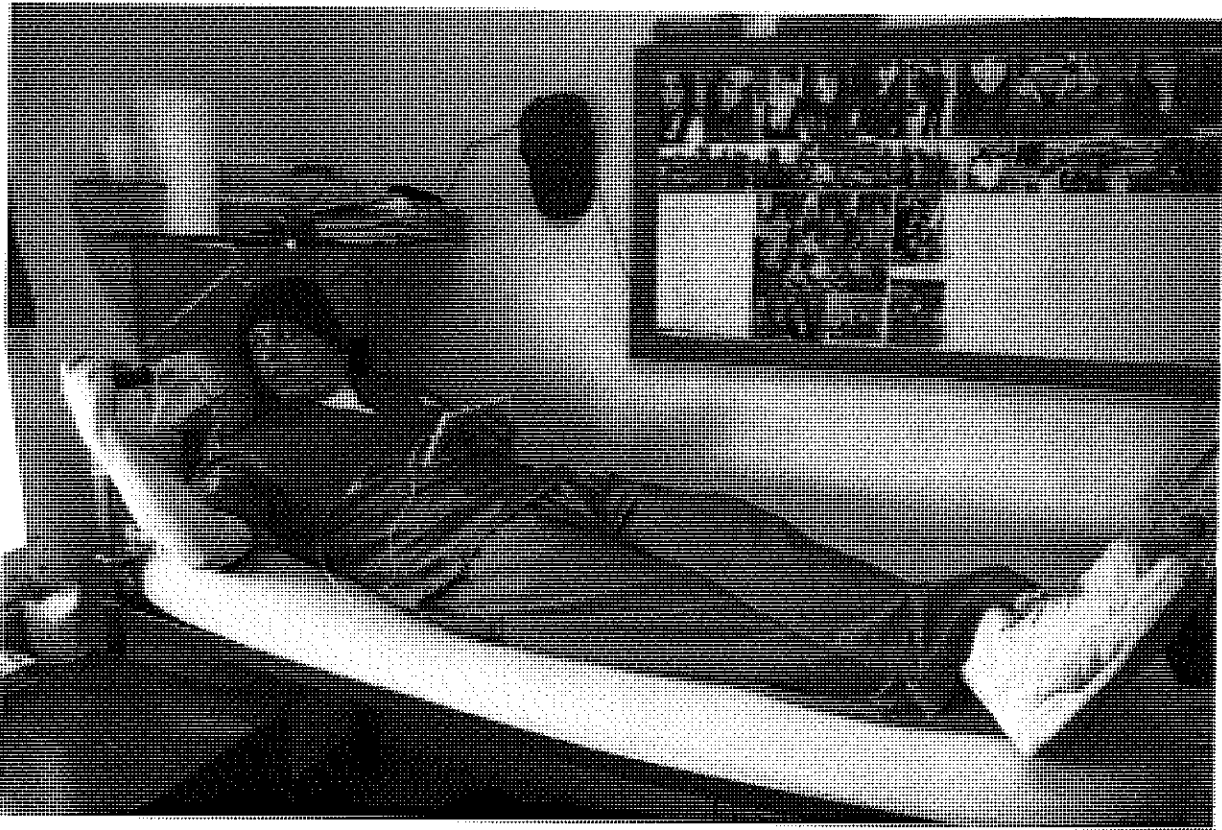


Until February, Andrew Stiern could only speak with his girlfriend on a phone in a prison day hall while 10 other inmates listened in and waited impatiently in line behind him.

Now the 29-year-old inmate can kick back in the limited privacy of his cell at Four Mile Correctional Center in Cañon City and call his girl on a new computer tablet anytime between 6 a.m. and 10 p.m. He can also use the same device to listen to his favorite tunes from a streaming cache of 12 million songs, read books or play video games to his heart's content.

About 8,000 Colorado inmates, including Stiern, are part of a pilot program for Inspire, a program of GTL Corp. that expects to eventually deliver tablets to more than 18,000 inmates in all 20 private and public prisons in Colorado and 1.8 million people jailed across the U.S. Inspire is designed to give inmates access to a wide range of media, including educational programming, but also creates a new revenue stream for GTL, which specializes in inmate telecommunications and payment systems.

Inmates can use the wireless handheld devices when they are not involved in other prison programming, such as GED classes or doing jobs including milking cows in the prison dairy.



Andy Cross, The Denver Post

Colorado Department of Corrections inmate Andrew Stiern takes a look out of his cell window laying on his bunk using a GTL Inspire Tablet at the Four Mile Correctional Center May 3, 2017 in Canon City.

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“It’s great. I’m kind of the tablet rep guy,” Stiern said while standing in his cell in the west wing of C-Pod, a unit where he and fellow inmates train companion dogs. “When you are in prison, you are cut off from the outside world. You want your mind to be focused on positive things. It’s kind of an escape from this world. These tabs have become a new piece of life in here.”

Colorado is the first state to roll out the Inspire program across all its prisons. Smaller programs were tested in county jails in Arizona and California.

Colorado Department of Corrections directors have embraced the Inspire inmate tablet program, believing that it will reduce friction between rival gangs vying for control of wall phones, occupy inmates who have a lot of time on their hands and eventually allow them to access vocational and educational programming.

Not everyone is sold on the idea. Correctional officers and representatives of victims groups have expressed concerns that criminals will find a way to use the tablets to commit new crimes and that they shouldn't be showered with such luxuries.

"I'm a little stunned. They are not there to be catered to and offered all the comforts of home," said Rob Wells, president of Families of Victims of Homicide and Missing Persons. His brother, Sid Wells, was murdered in 1983. "I'm not pleased with it. Some of them are gang members and have been involved in some pretty nasty stuff. They shouldn't be given something that will give them an opportunity to continue their criminal enterprises in prison. How are they going to monitor this?"

Correctional officers, too, were concerned the tablets could make it easier for members of gangs to communicate to the outside world.

"All of us had our reservations at first. Are we going to be more vulnerable because of this technology? There was a lot of old school mentality," said Ryan Flores, who has worked in Colorado corrections for 21 years.

Four Mile's associate warden, Doug Diedrich, said during his 28 years in corrections there has existed an imperative to tightly control the use of electronic devices. Security is the number one issue at prison, he said, but he is convinced that because every text message and phone call is monitored, the Inspire system is no more vulnerable than what already exists.



Andy Cross, The Denver Post

Colorado Department of Corrections inmate Andrew Stiern uses a GTL Inspire Tablet to play a card game in his cell at the Four Mile Correctional Center May 3, 2017 in Canon City.

But how could giving away \$270 million worth of tablets to the nation's criminals possibly be profitable?

In a conference call, Brian Peters, GTL's executive director of inmate applications and hardware, reluctantly acknowledged GTL's profit motive. GTL sells inmates subscriptions to the streaming database, which includes an eBook library of thousands of volumes.

Stiern said he paid \$6.59 for a two-month subscription to music and games. GTL also charges inmates, their friends and family for each call and text they exchange. Text messages are 25 cents and a 20-minute call runs \$2 to \$3, Stiern said.

"We don't know how profitable this will be," Peters said, "but we know we're leading the charge and we'll know first."

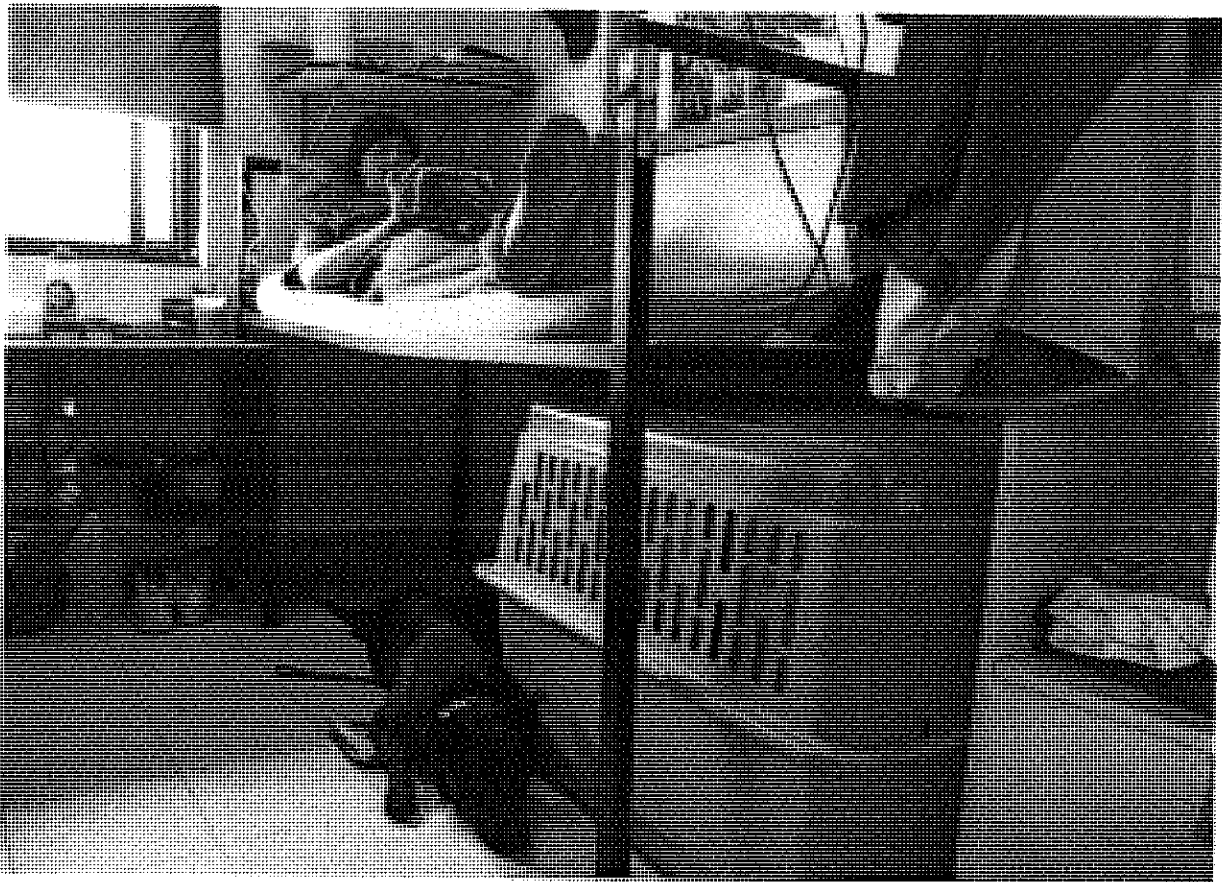
Peters focused on the rehabilitative potential of putting a powerful electronic tool into the hands of inmates.

Colorado inmates will be able to access vocational and educational programming on their tablets, he said. One tablet upgrade will provide live video tutoring by licensed plumbers or electricians who will be able to answer inmate questions about their preferred tools and techniques.

“Education is the single most important factor in preventing recidivism,” Peters said.

The tablets also replace a mountain of pen-and-paper prison communications. They enable inmates to quickly order a Snickers bar from the commissary, file a grievance about high-carbohydrate prison food, notify medical staff in the prison clinic about hepatitis C symptoms or sign up for prison education programs.

Just having the tablet is a privilege already shown to change inmate behavior, said Turner Nashe, GTL’s senior vice president over educational services.



Andy Cross, The Denver Post

Colorado Department of Corrections inmate Andrew Stiern uses a GTL Inspire Tablet to play a card game in his cell at the Four Mile Correctional Center as his K-9 in training dog “Murphy” sleeps underneath his bunk May 3, 2017 in Canon City.

In his cell on a Wednesday afternoon, Stiern demonstrated how Murphy, the black Lab/shepherd mix he is training, says hello by raising his left paw. Stiern — serving six years for criminal mischief and variety of parole violations — said he is careful about obeying prison rules so he won't lose the companionship of Murphy.

Likewise the threat of losing tablet privileges is a powerful incentive to toe the line. No one wants to lose their computer for 30 days, he said.

The tablets affect morale, Stiern said. He demonstrated for journalists how he set up a matrix of icons of his favorite music artists and computer games on a tablet screen. He offered a reporter his ear buds so he could hear a song from Kelsea Ballerini's "The First Time" album. "It's very good quality, isn't it?" he said. Listening to music is a great stress reliever, he said.

Diedrich said in the months since the tablets were distributed at Four Mile he has noticed a decrease in tensions that previously arose over access to the wall phone in the day hall.

Stiern says all the inmates know a correctional officer is always listening in on your phone conversations or reading text messages that can be up to 2,000 characters. "You don't say stupid stuff," he said.

Nashe said in 2009, when GTL began talking to prison staff about their tablet idea, people were skeptical. "They laughed at us. They thought it was a nice idea but that it was pie in the sky."

Diedrich said GTL's system allows prisons to monitor every text or phone call like they always have. In fact, it's even easier to monitor electronic messages than letters, he said. Employees working in the prison mail room can do bulk scans for gang names, prison slang for drugs and contraband and clandestine activities, like gang leaders ordering beat downs and hits, he said.

Colorado staff members will screen 2,000 text messages a day before allowing them to go to their intended recipients. The tablets are programmed so that inmates can't communicate with fellow gang members across the prison system, Diedrich said.

Inspire is still early in its implementation but so far haven't been any reported instances of abuse of the tablets at Four Mile, he said.

The tablets aren't connected to the internet, so inmates don't have an opportunity to troll pornography websites or play violent video games.

Andy Cross, The Denver Post

Colorado Department of Corrections inmate Andrew Stiern uses a GTL Inspire Tablet to play a card game in his cell at the Four Mile Correctional Center May 3, 2017 in Canon City.

“These are games I allow my 4-year-old to play,” Peters said. “The most violent game is, like, ‘Angry Birds.’”

Flores, the corrections officer, said some inmates have been in prison for decades and don't even know how to use a cellphone.

“People have to realize that inmates here are going to get out of prison,” Flores said. “This allows offenders to read literature and enhances their programming opportunities.”

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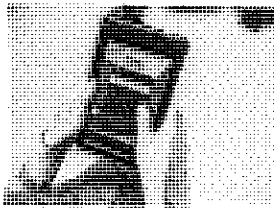
Canon City Police Department
Colorado Department of Corrections
Colorado Prison Association
prison population
Kirk Mitchell of The Denver Post.

Kirk Mitchell

Kirk Mitchell is a general assignment reporter at The Denver Post who focuses on criminal justice stories. He began working at the newspaper in 1998, after writing for newspapers in Mesa, Ariz., and Twin Falls, Idaho, and The Associated Press in Salt Lake City. Mitchell first

Why every Indiana inmate could soon have a tablet

Ryan Martin, ryan.martin@indystar.com Published 5:05 a.m. ET March 20, 2017 | Updated 7:40 a.m. ET March 20, 2017



(Photo: Provided by Telmate)

A plan to put a tablet in every Indiana inmate's hands could help offenders stay connected with their families and improve their education, which are important ways to keep them from returning to prison.

But the plan is also raising questions about fairness.

Could a technology company providing specialized tablets made for prison environments take advantage of captive buyers to price gouge on purchases for games, movies and music?

Those are some of the benefits and possible pitfalls of an [Indiana Department of Correction](http://www.in.gov/indoc/) (<http://www.in.gov/indoc/>) technology proposal which was first filed in January. The proposal also calls for a secure network and electronic kiosks across the prison system's 23 facilities.

Depending on which company is selected, offenders could use the tablets to access their classwork and self-help materials 24 hours per day. They could more easily order from the commissary, and sift through legal research.

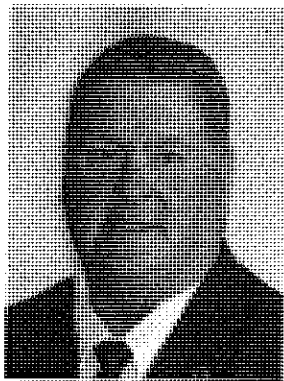
Related: [Some prisons let inmates connect with tablets \(/story/news/nation/2013/08/17/tabletsforinmates/2651727/\)](http://www.npr.org/2013/08/17/tabletsforinmates/2651727/)

They also could use their tablets to pay for entertainment — for a still undetermined price, with that money going to a private company while the state keeps a 10-percent cut.

That's how IDOC expects to pay for the tablets. IDOC is hoping a vendor would front the costs so taxpayers don't have to. Then the vendor would be reimbursed and earn a profit, as inmates buy music and movies.

The state is still accepting applications and will negotiate with vendors, so some specifics — such as potential fees to inmates — are unknown.

William Wilson, an IDOC executive director, emphasized that the department simply wants to help offenders with its tablet program — and that any fees collected would be used to reduce the reliance on tax dollars. Charging fees that inmates couldn't afford would defeat the purpose of the proposal.



William Wilson, an executive director with Indiana Department of Correction (Photo: Provided by Indiana Department of Correction)

IDOC officials also expect to use entertainment to reward good behavior. For example, an offender could be encouraged to stop racking up conduct reports in order to play more games.

"Historically, corrections has always been based on consequences," Wilson said, "but what we've learned is that sometimes through positive reinforcement you gain better performance, better behavior."

The tablets most likely wouldn't be the iPads or Kindles you see at home. There are companies that develop tablets and software specifically for use in prisons and jails. They still have touchscreens and apps, but the devices come with much more security and features that can be controlled by prison officials.

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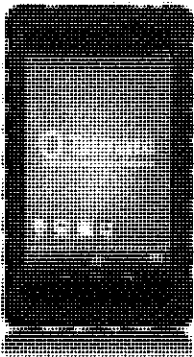
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One company, San Francisco-based [Telmate](http://www.telmate.com/access-tablets/) (<http://www.telmate.com/access-tablets/>), has a tablet that's used in more than 20 states, including in Indiana jails in [Marshall](https://sheriffmarshallcounty.org/2016/08/17/marshall-county-jail-starts-beta-test-of-remote-video-visitation/) (<https://sheriffmarshallcounty.org/2016/08/17/marshall-county-jail-starts-beta-test-of-remote-video-visitation/>) and [Monroe counties](http://indianapublicmedia.org/news/monroe-county-jail-add-online-visitation-option-inmates-111920/) (<http://indianapublicmedia.org/news/monroe-county-jail-add-online-visitation-option-inmates-111920/>). Craig Diamond, the company's marketing director, noted that Telmate tablets are the only devices able to communicate with the company's wireless hotspots installed inside facilities, preventing unwanted connections.

Each corrections facility has the ability to offer a free mode, allowing offenders to look through law library materials or jail rules, Diamond said. Officials can also decide to make certain uses cost money.

Another company with an Indiana connection, New York-based [American Prison Data Systems](http://apdsincorporate.com/) (<http://apdsincorporate.com/>), is behind a tablet program in the [Madison Juvenile Correctional Facility](http://www.in.gov/idoc/dys/2347.htm) (<http://www.in.gov/idoc/dys/2347.htm>), the state's only facility for girls.

There, the tablets are primarily used for teaching, said Samantha Goldsmith, special education coordinator. The devices can't connect to the internet and don't have cameras, and all content has been previously approved by teachers.



Telmate offers a tablet for use in prison and jail facilities. Some jail facilities, like in Monroe and Marshall counties, use the devices. (Photo: Provided by Telmate)

Using articles, photos, video and music gives teachers more tools when delivering lessons.

"It lets us differentiate our instruction and bring different things into the classroom that we wouldn't be able to bring in before," Goldsmith said.

Wilson envisions similar successes across the corrections system. He talked about the simple act of an offender contacting a case manager. Right now, that communication is through pen and paper, but offenders need training before returning to their communities, he said.

"If we don't prepare an offender to go out in the world and do an e-application, have we really prepared them for what is at stake?" Wilson said.

Training goes beyond technological savvy, though. Wilson noted the benefits of IDOC offering substance abuse and anger management programming through the tablets, and allowing inmates to study and prepare for tests outside of the few hours allotted for computer labs and kiosks.

"Our goal is to make sure that when these guys do go back to their communities, that they can be a contributing member," Wilson said. "If we don't allow offenders to have real-world access to education, to programming, to electronic devices — then we've become part of the problem."

All of this is key to reducing recidivism, which hovers around 35 percent in Indiana, according to [IDOC data through 2015](http://www.in.gov/idoc/files/2015_Adult_Recidivism_Summary.pdf) (http://www.in.gov/idoc/files/2015_Adult_Recidivism_Summary.pdf).

[Todd Clear](http://rscj.newark.rutgers.edu/faculty/member/dr-todd-clear/) (<http://rscj.newark.rutgers.edu/faculty/member/dr-todd-clear/>), a professor at Rutgers University School of Criminal Justice, said many offenders face several technological obstacles when they leave prison.

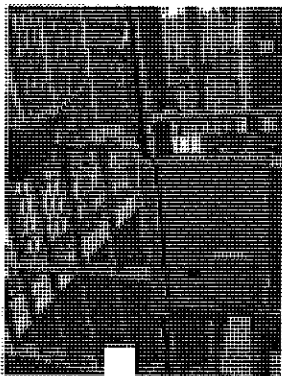
"They don't know how to download stuff, they don't know how to click on links, they don't know how to search," Clear said. "But anything that would promote that skill would be a welcome innovation in the context of a prison because the people will come out more able to navigate the contemporary world which involves connectivity all the time."

He added: "The big recidivism reduction program in prison is education. Nothing comes close to it."

Aside from the educational component, though, Clear cautioned against what could happen when private companies are given the opportunity to profit from offenders, which is what would occur if an inmate pays for entertainment.

It's not automatically a problem, Clear said, but there's a risk it could become one.

"Obviously businesses love the idea to be able to exploit all this, and I would be very careful about how I would make this available to people inside," he said.



A corrections officer closes the gate of a sally port at Pendleton Correctional Facility, Monday, December 14, 2015. (Photo: Kelly Wilkinson/Indystar)

In 2014, for example, a [Center for Public Integrity investigation](https://www.publicintegrity.org/2014/09/30/15761/prison-bankers-cash-captive-customers) (<https://www.publicintegrity.org/2014/09/30/15761/prison-bankers-cash-captive-customers>) found that private companies often charge steep fees to inmates for basic services, such as providing toiletries or sending money. Those companies pass on a cut of the revenue to prison systems.

The Indiana tablets proposal carries similar requirements.

It's no different from many of the services provided by IDOC's existing electronics vendor, Florida-based JPay (<http://www.jpays.com/>). To send up to \$20 to an offender costs \$3.95 if handled online, according to JPay's posted rates (<http://jpays.com/Facility-Details/Indiana-Department-of-Correction/Indiana-State-Prison.aspx>). The state then collects a 25-cent cut, according to the state's contract with the company.

Kristin Casper (<http://www.in.gov/ipdc/public/2332.htm>), a public affairs officer with the Indiana Public Defender Council, said she's concerned about offenders facing added fees for tablets. She wants to see a fee structure before the state agrees to a contract — and she wants to make sure existing free services don't begin costing money when tablets are introduced.

Her agency represents the state's public defenders and their clients, many of whom end up serving prison time. If offenders lose in this — and find themselves paying extra to call their families, for example — it could affect their relationships outside of prison.

"There's so much potential for this to be abused," Casper said. "That's our biggest issue with this."

To ensure inmates aren't taken advantage of, it's up to IDOC to closely monitor bids from vendors and to thoroughly understand their business models, said Bryce Peterson (<http://www.urban.org/author/bryce-peterson>), a researcher with the Washington, D.C.-based [Urban Institute](http://www.urban.org/) (<http://www.urban.org/>).

When a vendor has a monopoly over a service or item, Peterson said, controls are needed to ensure costs are appropriate because there's no free market at work.

"This is such a relatively new thing in corrections, so there's not a lot of evidence out there on the best way to do this," Peterson said.

Vendor applications are due by April 24. IDOC hopes to see some implementation by the end of the year, Wilson said.

Call IndyStar reporter [Ryan Martin](mailto:ryanmartin@indystar.com) ([/staff/42179/ryan-martin/](http://staff/42179/ryan-martin/)) at (317) 444-6294. Follow him on [Facebook](https://www.facebook.com/ryanmartin87) (<http://www.facebook.com/ryanmartin87>) and on [Twitter](https://twitter.com/ryanmartin): [@ryanmartin](http://www.twitter.com/@ryanmartin) (<http://www.twitter.com/@ryanmartin>).

More from Ryan Martin: [As Trump boots U.S. Attorneys, Indiana senator looks for applicants \(/story/news/crime/2017/03/13/trump-boots-us-attorneys-indiana-senator-looks-applicants/99121958/\)](https://www.indystar.com/story/news/crime/2017/03/13/trump-boots-us-attorneys-indiana-senator-looks-applicants/99121958/)

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Corrections and Community Supervision

ANDREW M. CUOMO
Governor

ANTHONY J. ANNUCCI
Acting Commissioner

Price Justification / Explanation of Vendor Selection

Contract # C161422

Vendor: JPay, Inc.

Price Justification:

DOCCS has negotiated pricing with JPay to rates that are lower than the original NASPO agreement #1901. Also, attached for comparison are the rates for the state of South Carolina, Tennessee, and Vermont which are higher.

Explanation of Vendor Selection:

In March 2017, DOCCS held meetings with JPay and Keefe Group to present their offering under the NASPO contract. Although both vendors offer similar services, they each have different kiosk interface methods. DOCCS has determined that JPay's services are more suitable for our facility operations and Keefe does not offer the same level of banking services. Specifically, Keefe did not offer a solution for the movement of funds from one facility to another. As a significant amount of inmates transfer facilities on a daily basis, this function is critical in streamlining our processes. JPay's software provides for a host of investigative tools which are preferred by DOCCS. Their NASPO contract offering also allows for the expansion of kiosk services that include tablets, music, email, and education at no cost to DOCCS.

JPay has the capacity and capability to meet DOCCS' needs and piggybacking is a resourceful mechanism for DOCCS to obtain their services. JPay is the national leader in electronic funds transfer and serves more than 150 corrections agencies in 33 states. DOCCS currently has an agency contract with JPay for Supervision Fees Collection and their performance has been excellent. Furthermore, New York City Department of Corrections has previously received OGS approval to piggyback on NASPO contract #1901 and considers JPay to be a proven vendor.

RFP 1901 - Summary of Cost Proposal		* DOCCS has negotiated lower rates. See Appendix B - Scope of Work.	
Service Fees			
Email/Secure Messaging	\$	0.40	
Inmate Banking		Please see below	
Video Visitation (30 Minute Session)	\$	9.95	
Purchase Music (per song)	\$	1.95	
MP3 Player / JP4 Player - 8GB	\$	49.99	
MP3 with Additional Memory - 16GB	\$	59.99	
JP5 Tablet	\$	119.99	
Commissions			
Email (per Outbound eMessage)	\$	0.05	
Purchasing Music (per song)		3% of sales monthly	
JP5 Tablet (per device)	\$	2.00	
Video Visitation		3% of sales monthly	
Inmate Banking (per inbound transfer)			
Sending Money with a Credit/Debit Card			
Deposit Amount		Internet Fee	Phone Fee
\$0.01 - \$20.00		\$3.95	\$4.95
\$20.01 - \$100.00		\$6.95	\$7.95
\$100.01 - \$200.00		\$8.95	\$9.95
\$200.01 - \$300.00		\$10.95	\$11.95
Sending Cash at a Walk-In Retail Location			
Deposit Amount		JPay Fee	
\$0.01 - \$5,000.00		5.00 - \$8.95	
Sending Money at a Lobby Kiosk			
Deposit Amount		Cash Fee	Credit/Debit Card Fee
\$0.01 - \$100.00		\$3.00	\$6.95
Sending Money Order via Lockbox			
Deposit Amount		JPay Fee	
\$0.01 - \$1,000.00		Free	

<u>Current services</u>	<u>Cost</u>
Customer to Government Payments (section 3.2.1.2 "Banking")	See Cost Proposal 1901
General money transfer services for prison commissary accounts, "Sending Money With a Credit/Debit Card"	See Cost Proposal 1901
Credit/debit card via phone and internet	See Cost Proposal 1901
Lobby kiosk with credit/debit cards and cash money order lockbox, aka "automated lockbox"	See Cost Proposal 1901
walk in cash payments at retailers like MoneyGram/Walmart	See Cost Proposal 1901
Inmate Kiosks	See Cost Proposal 1901
Inbound and outbound email for inmates	See Cost Proposal 1901
Video visitation	See Cost Proposal 1901
MP3 and music sales	See Cost Proposal 1901

<u>Services to Add via Amendment</u>	<u>Cost</u>
Tablets	
Tablet with 16G Memory	\$59.99
Tablet with 32G Memory	\$69.99
Content on the Tablet (an extension of section 3.2.1.8 - MP3 -- Download / Purchasing of Music)	
Educational content downloads and subscriptions	\$2.00 - \$250.00
E-books	\$2.00 - \$25.00
Movie and movie rentals	\$2.00 - \$25.00
Approved Games	\$2.00 - \$25.00
Downloading/Uploading inmate kiosk content onto the tablet	No cost - \$5.00
Additional Kiosk Services	
Cell Phone Detection (an extension the inmate kiosk network solution; the technology is installed within the kiosks and is run on the kiosk network infrastructure)	TBD
Commissary Ordering Application from the Kiosk	\$0.00 - \$1.00 per order
Video Visitation Services	
Customer to Inmate & Inmate to Customer web video calling	\$0.30 cents a minute
Care Packages	

Commissary related items purchased by friends and family and sent to inmates

Based on items purchased

Payment Related Software Packages

Offender Banking and Accounting Software Package System
Commissary Software Package Systems

TBD
TBD

Release Debit Cards

Card Activation
ATM Withdrawal
ATM Decline
Pin and Signature Purchase
Pin/Sig Decline
Monthly Service Fee
Replace Card
Expedite Card
Account Closure
Auto Customer Service
Live Customer Service
Inactivity Fee
Statement Print

\$0.00 - \$13.00
\$2.00
\$0.50
\$0.70
\$0.50
\$0.00-\$3.00
\$5.00
\$30.00
\$9.95
\$0.25
\$1.00
\$2.99
\$1.50

**Booking Kiosks
Bail/Bond Kiosks**

No cost -\$5.00
No cost -10%

**Parole and Probation Payments and Consumer to Government Payments (i.e. fees and fines)
Outbound Payment Reminders**

Same as 3.2.1.2
\$0.00 - \$1.00

Payment Related Software Packages

Case Management Software Package System
Alcohol Monitoring
Alcohol Interlock and System
Electronic Monitoring Software Package System and Products
Telephone Reporting Software Package System

TBD
TBD
TBD
TBD
TBD

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SENDING MONEY TO AN INMATE

The South Carolina Department of Corrections operates a cashless system for inmates. This means that incarcerated individuals are not allowed to have U.S. currency. Possession of money is a violation of Agency policy and disciplinary action is taken against any inmate found to have money.

NOTE: Effective July 1st, 2013, JPay will be the exclusive money transfer provider for SCDC. Friends and family of offenders can use JPay's convenient payment services to send money to their loved ones.

Credit, Debit, Green Dot cards, etc.

Inmates are prohibited from possessing credit cards, debit cards, Green Dot cards or numbers, or any other type of similar financial instrument. Inmates found in possession of such items will be charged administratively and could face significant sanctions. Family members/friends should refrain from providing inmates with these items.

However, every inmate in the Department of Corrections has a Cooper Trust Fund Account that allows him/her to make purchases in the institution. The back of the inmate's identification card has a magnetic strip that allows the ID card to function as a debit card to that inmate's Cooper Trust Fund Account. When the inmate desires to purchase items in the institution, his ID card is "swiped" and the purchase is allowed if there are sufficient funds in the inmate's account to pay for the desired items.

How to Send Money Orders to an Inmate:

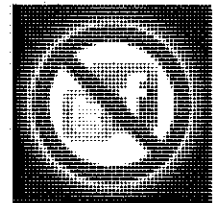
Family members and friends can make deposits into an inmate's Cooper Trust Fund account through JPay. Effective July 1st, all money orders must be sent with a deposit slip to JPay, P.O. Box 260177, Pembroke Pines, FL 33026. Money orders sent to the DOC or individual facility will be returned. All funds will be available to the offender within three business days of being received at the lockbox. All money orders must be made payable to JPay.

Money order deposit slip available in English [here](#).

Hoja de Deposito para Giros Bancarios disponible en Espanol [aqui](#).

How to Send Money Electronically: 1-Click Payments with JPay.com

FAMILY INFORMATION

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Report Offender Usage of
Cell Phones / Social Media



There are several fast, easy and convenient ways to send money to an inmate in South Carolina. JPay offers next-day deposits online, over the phone, at and MoneyGram locations.

Make a Payment Now!

Next-Day Deposits

Online

To send money online with a credit or debit card, click here. It's the quickest and easiest way to get your loved ones the funds they need.

Mobile App

Download our mobile app and send money wherever you happen to be! You can download the free app for Android devices here and for iPhone and iPad here.

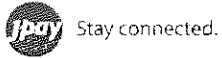
Call Us

You can send money by phone using your credit or debit card. Call (800) 574-5729 to speak with a live agent 24/7.

Walk-In Cash

To make a cash deposit, visit any MoneyGram agent location (including all Walmarts) and use receive code 3569. Click here to learn more, and to get a list of nearby MoneyGram locations.

Amount	Online	Phone	Money Order	Walk-in
\$0.01-\$20.00	\$3.95	\$4.95	\$0.00	\$4.95
\$20.01-\$100.00	\$6.95	\$7.95	\$0.00	\$4.95
\$100.01-\$200.00	\$8.95	\$9.95	\$0.00	\$4.95
\$200.01-\$300.00	\$10.95	\$11.95	\$0.00	\$4.95



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Rates

Online		
\$ 0.00	- 20.00	\$3.90
\$ 20.01	- 100.00	\$6.90
\$ 100.01	- 200.00	\$8.90
\$ 200.01	- 300.00	\$10.90
By Phone		
\$ 0.00	- 20.00	\$4.90
\$ 20.01	- 100.00	\$7.90
\$ 100.01	- 200.00	\$9.90
\$ 200.01	- 300.00	\$11.90

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- Bledsoe County Correctional Complex (BCCX)
- Hardeman County Correctional Facility (HCCF)
- Lois M DeBerry Special Needs Facility (SPND)
- Mark H Luttrell Correctional Center (MLRC)
- Morgan County Correctional Complex (MCCX)
- Northeast Correctional Complex (Main) (NECX)
- Northwest Correctional Complex (NWCX)
- Riverbend Maximum Security Institution (RMSI)
- Southcentral Correctional Center (SCCF)
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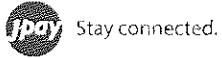
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Email Postage Fees

Stamps	Fee
20	\$8.00
32	\$12.80
50	\$20.00

Each typed page of text cost one stamp. Each attachment costs 1 stamp(s).

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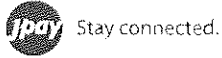
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- | Stamps | Fee |
|--------|---------|
| 10 | \$4.00 |
| 20 | \$8.00 |
| 32 | \$12.80 |
| 50 | \$20.00 |
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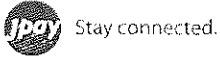
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Video Visitation Fees

Video	Fee
30 Min	\$9.95

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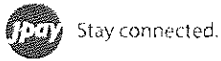


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Music Rates

Online		
\$ 0.00	- 20.00	\$3.50
\$ 20.01	- 100.00	\$3.50
\$ 100.01	- 200.00	\$3.50
\$ 200.01	- 300.00	\$3.50
By Phone		
\$ 0.00	- 20.00	\$4.50
\$ 20.01	- 100.00	\$4.50
\$ 100.01	- 200.00	\$4.50
\$ 200.01	- 300.00	\$4.50

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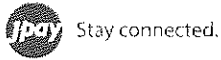
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Stamps	Fee
5	\$2.00
10	\$4.00
20	\$8.00

Each typed page of text cost one stamp. Each attachment costs 1 stamp(s).

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- Marble Valley Regional Correctional Facility (MVRFCF)
- Northeast Correctional Complex (Correctional Facility) (NECC)
- Northern State Correctional Facility (NSCF)
- Northwest State Correctional Facility (NWSCF)
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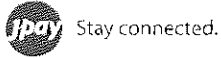
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Stamps	Fee
5	\$2.00
10	\$4.00
20	\$8.00

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Select State...

Enter Inmate ID#

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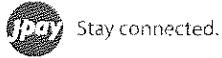
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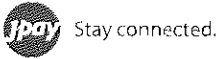
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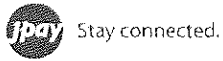
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Video	Fee
30 Min	\$9.95

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Vendor Assurance of No Conflict of Interest or Detrimental Effect

The Firm offering to provide services pursuant to this Contract (C161422), as a contractor, joint venture contractor, subcontractor, or consultant, attests that its performance of the services outlined in this Contract does not and will not create a conflict of interest with nor position the Firm to breach any other contract currently in force with the State of New York.

Furthermore, the Firm attests that it will not act in any manner that is detrimental to any State project on which the Firm is rendering services. Specifically, the Firm attests that:

1. The fulfillment of obligations by the Firm, as proposed in the response, does not violate any existing contracts or agreements between the Firm and the State;
2. The fulfillment of obligations by the Firm, as proposed in the response, does not and will not create any conflict of interest, or perception thereof, with any current role or responsibility that the Firm has with regard to any existing contracts or agreements between the Firm and the State;
3. The fulfillment of the obligations by the Firm, as proposed in the response, does not and will not compromise the Firm's ability to carry out its obligations under any existing contracts between the Firm and the State;
4. The fulfillment of any other contractual obligations that the Firm has with the State will not affect or influence its ability to perform under any contract with the State resulting from this Contract;
5. During the negotiation and execution of any contract, the Firm will not knowingly take any action or make any decision which creates a potential for conflict of interest or might cause a detrimental impact to the State as a whole including, but not limited to, any action or decision to divert resources from one State project to another;
6. In fulfilling obligations under each of its State contracts, the Firm will act in accordance with the terms of each of its State contracts and will not knowingly take any action or make any decision which might cause a detrimental impact to the State as a whole including, but not limited to, any action or decision to divert recourses from one State project to another;
7. No former officer or employee of the State who is now employed by the Firm, nor any former officer or employee of the Firm who is now employed by the State, has played a role with regard to the administration of this contract procurement in a manner that may violate section 73(8)(a) of the State Ethics Law; and

8. The Firm has not and shall not offer to any employee, member or director of the State any gift, whether in the form of money, service, loan, travel, entertainment, hospitality, thing or promise, or in any other form, under circumstances in which it could reasonably be inferred that the gift was intended to influence said employee, member or director, or could reasonably be expected to influence said employee, member or director, in the performance of the official duty of said employee, member or director or was intended as a reward for any official action on the part of said employee, member or director.

Firms should note that the State recognizes that conflicts may occur in the future because a Firm may have existing or new relationships. The State will review the nature of any such new relationships and reserves the right to terminate the contract for cause if, in its judgment, a real or potential conflict of interest cannot be cured.

Name, Title: Errol Feldman, Chief Executive Officer

Signature:  _____

Date: 6/14/17

This form must be signed by an authorized executive or legal representative.

OFFICE OF THE STATE COMPTROLLER
BUREAU OF CONTRACTS
GOVERNMENTAL ENTITY REPRESENTATION
CONCERNING COMPLIANCE WITH STATE FINANCE LAW §§139-j AND 139-k

Business Unit (State Agencies): DOC01
Department ID (State Agencies): 3250226
Agency Code (2879-a Authorities): n/a
Agency/Authority Name: Corrections and Community Supervision
Contractor Name: JPay, Inc.
NYS Vendor ID (if applicable): 1100116726
Contract No. or P.O. No.: C161422
Contract Amendment No. (legal amendment number):
SFS Amendment Sequence No. (system assigned):
<p>I am a duly authorized representative of the above governmental entity. To the best of my knowledge, information and belief, pursuant to the requirements of State Finance Law (SFL) §§ 139-j and 139-k, the governmental entity for this procurement has:</p> <ul style="list-style-type: none"> • Issued and complied with its policies and procedures with respect to permissible contacts and any determinations made for violations thereof and has included such policies and procedures as part of the solicitation/bid documents; • Issued policies and procedures in connection with the recording of all “contacts” received during the “restricted period” as those terms are defined under SFL §§ 139-j and 139-k, and is not aware of any “contacts” that were not recorded as required and included in the procurement record submitted to OSC; • Received from all offerors the required (i) disclosure regarding prior findings of non-responsibility for violations of SFL §§ 139-j or 139-k; (ii) written affirmation of understanding and agreement to comply with the governmental entity’s policies and procedures relating to permissible contacts; • If any offerors have disclosed a prior finding of non-responsibility for violations of §§ 139-j or 139-k, I have noted them below: <ul style="list-style-type: none"> • Received from the winning vendor a certification as to the completeness, truth and accuracy of all information provided to the governmental entity and included such documentation in the procurement record submitted to OSC; • Included in the contract a provision authorizing termination if the certification referenced above is found to be intentionally false or intentionally incomplete; • Reviewed the New York State Office of General Services published list of non-responsible and debarred vendors for violations of SFL §§ 139-j and 139-k and considered such information in its determination of responsibility of the proposed vendor; • Except as otherwise indicated, found no knowing and willful violations of the requirements regarding permissible contacts or other provisions of SFL §§ 139-j or 139-k; • If applicable, documented in the procurement record submitted to OSC (i) the basis for finding the proposed vendor in this procurement non-responsible for violations of SFL §§ 139-j or 139-k; (ii) the due process afforded such vendor; and (iii) that such finding was reported to OGS, as required.

Based upon the above information and representations, the governmental entity has determined, for purposes of SFL §§ 139-j and 139-k only, that the proposed vendor for the above identified governmental procurement is:

Responsible

Non-responsible

(This responsibility determination by the governmental entity must also be reported on the Vendor Responsibility Profile, if one is required for this transaction.)

- If applicable, documented in the procurement record submitted to OSC the basis for awarding a contract to the proposed vendor notwithstanding the governmental entity's determination that the proposed vendor is non-responsible for violations of SFL §§ 139-j or 139-k.
- Documented in the procurement record submitted to OSC (i) the basis for finding any other offerer in this procurement non-responsible for violations of SFL §§ 139-j or 139-k; (ii) the due process afforded such offerer; and (iii) that such finding was reported to OGS, as required.

Name(s) and Federal Identification number(s) and NYS Vendor ID (if available) of such Offerer(s)

Date: 6/19/17

Authorized Signatory: *Sandra Downey*

Name (printed or typed): Sandra Downey

Title: Director of Budget and Finance

Direct Telephone Number (including area code): 518-457-5604

Email Address: sandra.downey@doccs.ny.gov

Mailing Address: 1220 Washington Avenue, Albany, NY 12226

Office of General Services

BUILDING ADMINISTRATION REAL ESTATE DESIGN & CONSTRUCTION PROCUREMENT
 SUPPORT OPERATIONS

State Finance Law §139-j(10)(b)

List of Debarred Offerers Maintained by the Office of General Services under State Finance Law §139-j(10)(b)

State Finance Law §139-j(10) obligates a Governmental Entity to notify the Office of General Services (OGS) when it makes a determination of non-responsibility due to a violation of State Finance Law §139-j (a knowing and willful violation of the permissible Contacts requirements). Any subsequent determination of non-responsibility within a four year period shall result in an Offerer being rendered ineligible to submit a proposal on or be awarded any procurement contract for a period of four years from the date of the second final determination. OGS is required to maintain a publicly available list and publish such list on its website. If additional information is needed regarding a listing, please contact the Governmental Entity that made such determination. Additional information about this law can be found at <http://www.ogs.ny.gov/ACPL>.

Please immediately notify the Deputy Commissioner and Counsel for the Office of Legal Services at the NYS Office of General Services if you have debarred a bidder pursuant to this section of law.

Office of the Deputy Commissioner and Counsel
 NYS Office of General Services
 41st Floor - Corning Tower
 Albany, New York 12242
 LegalServicesWeb@ogs.ny.gov
 Telephone 518-474-5988
 Facsimile 518-473-4973

* Governmental Entity making 1st determination is provided on the Non-responsible Bidders list.

Offerer	FEIN #	Date of 1st Non-responsibility determination*	Date of 2nd Non-responsibility determination	Governmental Entity making 2nd determination	Debarred until

No Offerers have been reported as debarred in accordance with this section.

PROCUREMENT LOBBYING CERTIFICATION

By signing, the Offerer/bidder affirms that it understands and agrees to comply with the NYS Department of Corrections and Community Supervision (DOCCS) procedures relative to permissible contacts, as required by State Finance Law §139-j and §139-k.

Procurement Lobbying information can be accessed at:

<http://www.ogs.ny.gov/aboutogs/regulations/advisoryCouncil/sfl139-j.htm> and
<http://www.ogs.ny.gov/aboutogs/regulations/advisoryCouncil/sfl139-k.htm>

Offerer affirms that it understands and agrees to comply with the procedures of the DOCCS relative to permissible Contacts as required by State Finance Law §139-j (3) and §139-j (6) (b).

By: 

Date: 6/14/17

Name: Errol Feldman

Title: Chief Executive Officer

Contractor Name: JPay Inc.

Contractor Address: 12864 Biscayne Blvd, Ste. 243, Miami, FL 33181

Prior Non-Responsibility Determinations – State Finance Law §139-k

1. Has any Government Entity made a finding of non-responsibility against this organization/company? No Yes
2. If yes, was the basis for the finding of non-responsibility due to a violation of SFL§139-j or due to the intentional provision of false or incomplete information to a Government Entity? No Yes
3. Has any Government Entity terminated or withheld a procurement contract with this organization/company due to the intentional provision of false or incomplete information? No Yes

If yes to any of the above questions, provide complete details on a separate page and attach.

Offerer Certification:

I certify that all information provided to the DOCCS with respect to State Finance Law §139-k is complete, true and accurate.

By: 

Date: 6/14/17

Name: Errol Feldman

Title: Chief Executive Officer

Procurement Lobbying Termination

DOCCS reserves the right to terminate this contract in the event it is found that the certification filed by the Offerer/bidder in accordance with New York State Finance Law §139-k was intentionally false or intentionally incomplete. Upon such finding, DOCCS may exercise its termination right by providing written notice to the Offerer/bidder in accordance with the written notification terms of the contract.