

## CONTRACT FOR RESIDENTIAL SERVICES

This contract entered into this 14<sup>th</sup> day of November, 2016, between the Johnson County Juvenile Probation Department and the Pegasus Schools, Inc. Hereinafter called Service Agency by this Agreement and in consideration of the mutual promises set forth below, agree that:

### I. PROVISION OF SERVICE

The Service Agency agrees to provide the following services, which shall be limited to alleged or adjudicated juvenile offenders in licensed child care facilities. Primary specialized, intermediate, emergency shelter, therapeutic, intensive, or in-patient psychiatric, Levels of Care and services to be provided at each level are those defined in the CJD Maximum Rate Schedule for Purchase of Services, and by the Texas Health and Human Services Coordination Council.

- A. For and in consideration of the above mentioned services, the Johnson County Juvenile Probation Department agrees to pay the Service Agency **\$162.30** per client day for **Specialized Level of Care** and **\$103.03** per client day for **Moderate Level of Care**. This fee does not exceed actual cost of childcare in the Service Agency, and does not exceed the amount allowed in the current CJD Maximum Rate Schedule. For juveniles placed in the facility under the Title IV-E program, **the county agrees to pay the facility based on the TDPRS level of care (LOC) as currently effective or subsequently amended.**
- B. Recognizing that a part of a client's rehabilitation program may include time away from the residential setting of the Service Agency, such as weekends, holidays, Etc., and that the Service Agency must retain space for this client until his return, Johnson County Juvenile Probation Department will pay the Service Agency the above agreed-upon amount for such regularly scheduled days away from the Service Agency or its program providing they do not exceed ten (10) days at any one time.
- C. If a client makes an unauthorized departure from the Service Agency, the Johnson County Juvenile Probation Department shall be notified immediately. If the client returns to the Service Agency within ten (10) days or prior to the last billing day of the month, whichever shall occur first, the Service Agency shall receive payment for those days the client was absent from the Service Agency, but not to exceed ten days of payment.

- D. The Service Agency is under no obligation to retain space for the client in unauthorized departure situations.
- E. Payment is to be made monthly. Claim for payment will be submitted no later than 10 days from the last day of the month for which payment is being requested.
- F. Each billing should contain the name of the client or clients for whom payment is being requested along with number of days stated consecutively for which payment is being requested.
- G. The Service Agency is under no obligation to accept a client who is deemed inappropriate for placement in the program by Service Agency.

## II INDIVIDUAL PROGRAM PLAN AND FAMILY INVOLVEMENT

- A. Each client placed with the Service Agency shall have a written Individualized Program Plan (IPP) developed in concert with the client and mutually agreed upon by the appropriate Service Agency staff and appropriate county personnel prior to placement.
- B. The IPP shall be reviewed jointly by the appropriate Service Agency staff, the child, and the appropriate county personnel at reasonable intervals, not to exceed ninety (90) days, to assess the client's progress with modification of the IPP being made when indicated.
- C. The IPP shall contain the reasons why the placement will benefit the client; shall specify behavioral goals and objectives being sought for each client; shall state how the goal and objectives are to be achieved in the Service Agency placement; and shall state how the parent(s), guardian(s), and where possible, grandparents, or other extended family members will be involved in the Individual Program Plan to assist in preventing or controlling the client's alleged delinquent behavior or alleged conduct indicating a need for supervision as defined in the Texas Family Code.
- D. Copies of the original IPP and the periodic review are to be maintained by the Service Agency and the County Placement Officer.
- E. The Service Agency shall provide each child's Probation Officer with a written report of the child's progress on a monthly basis.
- F. If a child in placement at the Service Agency makes an unauthorized departure, becomes seriously ill, or is involved in an incident of a serious nature, the Service Agency shall notify the child's Probation Officer. After hours and weekend notification will be accomplished by calling the Caldwell County Sheriff's Department and asking for the on-call officer to notify the placement officer immediately and ensure that parents and proper authorities, including the Texas Department of Human Services, are notified.

- G. The County reserves the right to terminate the child's placement at the Service Agency at its discretion. The Service Agency must not release a child to any person or agency other than the County without the express consent of the County.
- H. The County must approve the child's participation in any furlough's home visit, or extended agency trips.
- I. Unless otherwise stipulated by the County, the child may visit freely with parents and relatives at home in accordance with established Service Agency policies.
- J. Suspected or alleged cases of child abuse must be immediately reported to the Johnson County Juvenile Probation Department Placement Officer and the Department of Human Services. (After hours notification will be accomplished by contacting the Caldwell County Sheriff's Department and asking the dispatcher to contact the on-call officer to contact the placement officer.)

### III. EXAMINATION OF PROGRAM AND RECORDS

- A. The Service Agency agrees that it will permit the County to examine and evaluate its program of services provided under the terms of this Contract and to review County client records. This examination and evaluation of the program will include unscheduled site visitation, observation of programs in operation, interviews, and the administration of questionnaires to the staff of the Service Agency and the client.
- B. The Service Agency shall comply with the goals, output and measurable outcomes as stated in its proposal to provide residential services as well as provisions of the residents Individual Program Plan (IPP). The Service Agency shall provide to the County such descriptive information on contract clients as requested on forms provided by the County.
- C. The Service Agency agrees to maintain and make available for inspections, audit, or reproduction by an authorized representative of Johnson County Juvenile Probation Department and the State of Texas, books, documents, and other evidence pertaining to the cost and expenses of this Contract, hereinafter called the Records.
- D. Under Section 231.006, Family Code, the Service Agency certifies that the individual or business entity named in this contract, bid, or application is not ineligible to receive the specific grant, loan, or payment and acknowledges that this contract may be terminated and payment may be withheld if this certification is inaccurate.
- E. The Service Agency shall adhere to all applicable state and federal laws and regulations pertinent to the Service Agencies provision of service.

- F. The Service Agency shall account separately for the receipt and expenditure of any and all funds received under this contract.
- G. The Service Agency shall maintain all applicable records for a minimum of three years or until any pending audits and all questions arising therefore have been resolved.

#### IV PERFORMANCE MEASURES

- A. Goals: The treatment plan shall contain specific behavior goals and services that are appropriate to the child and that enable the child to develop to his fullest potential. This development will be through provision of a safe, drug-free environment in which counseling services are utilized as tools for educational, emotional and behavioral gains.
- B. Outputs: The Service Agency shall provide the Placing County timely information upon request which outlines the services provided to clients. These outputs may include, but are not limited to:
- Average length of stay
  - Average daily population
  - Average number of counseling hours provided weekly or monthly
  - Average number of educational hours provided daily, weekly or monthly
  - Specific types of milieu implemented by the service provider
- C. Measurable Outcomes: The Service Agency agrees to furnish the Placing County upon request annual indicators for their specific youth which expresses the effectiveness of the Service Agency in providing public benefit. Evaluation of the Placing County may be performed by using outcome measures such as:
- % of youth successfully competing the program
  - % of youth reporting improved family communication / functioning while in placement
  - % of youth demonstrating progress in majority of goals in treatment plan
  - % of youth earning credits in core subjects

#### V. FEE ASSESSMENT

- A. Clients or their families shall not be assessed fees for services by the Service Agency unless arrangements are specified by the Court. This does not preclude reasonable attempts to seek voluntary contribution from families of County clients for donations of clothing, personal articles, and funds to assist in supporting a youth's rehabilitation.
- B. If a client is eligible for fiscal support from another state agency or organization, the Service Agency shall ensure that Johnson County

Juvenile Probation Department is not charged for such fiscal support for which the client is otherwise eligible.

- C. Contractor understands that acceptance of funds under this contract acts as acceptance of the State Auditors' Office. Or any successor agency, to conduct an audit or investigation in connection with those funds. Contractor further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. Contractor will ensure that this clause concerning the authority of audit funds received indirectly by subcontractors through Contractor and requirements to cooperate is included in any subcontracts it awards.

#### VI. EQUAL OPPORTUNITY

Services shall be provided by the Service Agency in compliance with the Civil Rights Act of 1964. The Service Agency will not discriminate against any employee, applicant for employment, or client because of race, religion, color, sex, national origin, age, or handicapped condition.

#### VII. OFFICIALS NOT TO BENEFIT

No officer, member or employee of Johnson County Juvenile Probation Department, Pegasus Schools, Inc. and no member of its governing body, and no other public official of the governing body of the locality or localities in which the project is situated or being carried out who exercise any functions or responsibilities in the review or approval of the undertaking or carrying out of this project shall participate in any decision relating to this Contract which affects his personal interest or any personal or pecuniary interest, direct or indirect, in this Contract or the proceeds thereof.

#### VIII. DEFAULT

The Johnson County Juvenile Probation Department may, by written notice of default to the Service Agency, terminate the whole or any part of this contract in any one of the following circumstance:

- (1) If the Service Agency fails to perform the work called for by this Contract within the time specified herein or any extension thereof; or
- (2) If the Service Agency fails to perform any of the other provisions of this Contract, or so fails to prosecute the work as to endanger performances of this Contract in accordance with its terms, and in either of these two circumstances does not cure such failure with a period to ten (10) days (or such extension as authorized by the Johnson County Juvenile Probation Department in writing) after receiving notice of default.

## IX. TERMINATION

- A. This contract may be terminated by either party by giving ten (10) days written notice to the other party here to of the intention of terminate.
- B. Termination of the Client's residence with or receipt of services from the Service Agency shall occur only after notifying the County Placement Officer of the causes and with sufficient lead time of at least ten (10) days to allow alternate placement or referral for service.
- C. The decision of the termination party shall be final and conclusive unless within thirty (30) days from the date of receipt and of a written copy of decision, the non-terminating party mails or otherwise furnishes to the termination party a written repeal addressing the Criminal Justice Division. The decision of the Criminal Justice Division or its authorized representative shall be final and conclusive absent a showing of fraud, caprice, arbitrariness, or gross error implying bad faith, in some court of competent jurisdiction.

## X. LAW AND VENUE

In any legal action arising under this Contract, the laws of Texas shall apply and venue shall be to the Courts.

## XI. PRISON RAPE ELIMINATION ACT OF 2003

**Pegasus Schools, Inc. has a zero tolerance towards all forms of sexual abuse and sexual harassment in accordance with the provision of the Prison Rape Elimination Act of 2003 that provides for administrative and/or criminal disciplinary sanctions.** Pegasus Schools, Inc. shall adopt policies and comply with the Prison Rape Elimination Act of 2003 (28 CFR SS 115) standards and shall permit the placing county to monitor its facility and records as necessary to ensure that the Service Provider is complying with said standards. Under the provisions of the Prison Rape Elimination Act of 2003, Pegasus Schools, Inc. shall provide to the placing county all incident-based aggregate date reports for every allegation of sexual abuse or sexual harassment and all such data that may be requested by the Department of Justice from the previous calendar year no later than June 30 (SS115.387 (f)) and the data necessary to answer all questions from the most recent version of the Survey of Sexual Violence. Pegasus Schools, Inc. shall report to the placing county in writing within 15 days any positive findings by a court or governmental agency that Pegasus Schools, Inc. has violated a relevant federal statute or rule.

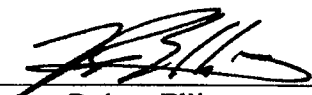
## XII. CONTRACT PERIOD

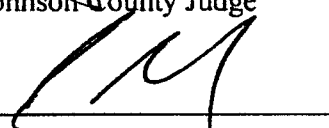
The term of this Contract shall run from September 1, 2016 or the date of execution, whichever is later, until August 31, 2017. This Contract shall automatically renew and extend for an additional one year period on the first day of September of each succeeding year unless CONTRACTING COUNTY gives written notice to SERVICE AGENCY not less than 30 days prior to the first day of September of such succeeding anniversary. This

renewal and extension is subject to the availability of funds for the contract year, to the allocation of funds to meet the terms of this contract, and subject to the approval of the Johnson County Juvenile Board. This contract need not be specifically identified in the budget or budget process. Upon renewal and extension of this contract, all dates sums set forth herein shall be deemed modified as necessary to reflect the new and extended term of the contract.

Witness our hands this 14<sup>th</sup> day of November 2016.

BY:   
Johnson County Judge

BY:   
Robert Ellis  
Chief Executive Officer  
Pegasus Schools, Inc.

  
Johnson County Juvenile Board Chair

DATE: 11/7/16

DATE: 11-3-2016

## Exhibit "A"

# JUVENILE CONTRACT TERMS

## ADDENDUM

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This Addendum is a part of an agreement made between **Johnson County** and **Pegasus School** hereinafter known as **SERVICE PROVIDER**. The primary agreement is identified as **CONTRACT FOR RESIDENTIAL SERVICES**. This Exhibit "A" addendum is being incorporated into said agreement for all purposes.

### General Legal and Regulatory Compliance

1. **SERVICE PROVIDER** shall comply with all state and federal laws, regulations, standards, policies, and procedures applicable to **SERVICE PROVIDER** and provision of services.
2. The **SERVICE PROVIDER** shall keep all applicable certification and/or licenses current. **SERVICE PROVIDER** shall provide **COUNTY** with proof of current state license, certification, or other necessary regulatory permits, and similar documents. A copy of such documents should be delivered to Johnson County Juvenile Services office and made a part of the Service Provider's file with the County upon execution of this contract. This requirement applies to subcontractor who supplies or provides any subcontracted service under this contract. Additionally, proof of current licenses or certifications shall be provided on an annual basis, regardless of the dates of renewal or the dates of this contract.
3. **SERVICE PROVIDER** shall provide professional credentials and licensing of staff as applicable.
4. **SERVICE PROVIDER** shall notify **COUNTY** within 7 days should any license be suspended or revoked.
5. **SERVICE PROVIDER** shall disclose any pending or initiated criminal or governmental investigations related to service provider (e.g., FBI, DOJ, TJJD, etc.). This disclosure shall be made in writing and shall be made within 7 days of Service Provider becoming aware of such investigation.
6. This Agreement will be governed by and construed according to the laws of the State of Texas. Venue for any action or claim arising out of the Agreement shall be Johnson County, Texas. Any action brought in Federal Court shall be brought in the Northern District of Texas, Dallas division.

### Accounting, Reporting and Auditing Requirements

7. The County will monitor the **SERVICE PROVIDER** and exercise reasonable care to enforce all terms and conditions of this contract. **SERVICE PROVIDER** agrees to fully cooperate in the monitoring process.
8. **SERVICE PROVIDER** understands that acceptance of funds under this contract acts as acceptance of the authority of the State Auditor's Office, or any successor agency, to conduct an audit or investigation in connection with those funds. Contractor further agrees to cooperate fully with the State Auditor's Office or its successor in the conduct of the audit or investigation, including providing all records requested. Contractor will ensure that this clause concerning the authority to audit funds received indirectly by subcontractors through Contractor and the requirement to cooperate is included in any subcontract it awards.



9. SERVICE PROVIDER shall **certify eligibility to receive state funds** under Section 231.006 of the Texas Family Code regarding child support. Further in accordance with 231.006 of the Texas Family Code, no person who is the sole proprietor, a partner, a shareholder, or an owner of twenty-five (25%) or more of SERVICE PROVIDER is more than thirty (30) days delinquent in paying court ordered child support. Completion of TJJJ-FIS-180 will satisfy this requirement. SERVICE PROVIDER fully acknowledges that this agreement may be terminated and payment may be withheld if this certification is inaccurate. Further, by signing this Addendum SERVICE PROVIDER states and certifies as follows:

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

10. SERVICE PROVIDER shall be a **vendor in good standing** [i.e. not on "vendor hold"] with the Texas Comptroller of Public Accounts, if applicable.
11. SERVICE PROVIDER agrees to the use of Generally Accepted Accounting Principles (GAAP).
12. SERVICE PROVIDER is hereby notified that funds received in the provision of this contract may be in whole or in part funds issued by the State. The SERVICE PROVIDER agrees to account separately for the receipt and expenditure of any and all funds paid to the SERVICE PROVIDER by the County.
13. **Payment shall be made pursuant to Chapter 2251 Texas Government Code**

13A. Pursuant to Texas Government Code Section 2251.021 and this Amendment, a payment by a governmental entity under a contract is overdue on the 31st day after the later of:

- (1) the date the governmental entity receives the goods under the contract;
- (2) the date the performance of the service under the contract is completed; or
- (3) the date the governmental entity receives an invoice for the goods or service.

13B. Pursuant to Texas Government Code Section 2251.025 and this Amendment, A payment begins to accrue interest on the date the payment becomes overdue. The rate of interest that accrues on an overdue payment is the rate in effect on September 1 of the fiscal year in which the payment becomes overdue. The rate in effect on September 1 is equal to the sum of:

- (1) one percent; and
- (2) the prime rate as published in the Wall Street Journal on the first day of July of the preceding fiscal year that does not fall on a Saturday or Sunday.

13C. Interest on an overdue payment stops accruing on the date the governmental entity or vendor mails or electronically transmits the payment

13D. Payment of Interest by Political Subdivision shall be pursuant to Texas Government Code Sec. 2251.027

- (a) A political subdivision shall compute interest imposed on the political subdivision under this chapter.
- (b) The political subdivision shall pay the interest at the time payment is made on the principal.
- (c) The political subdivision shall submit the interest payment with the net amount due for the goods or service.

- (d) The political subdivision may not require a vendor to petition, bill, or wait an additional day to receive the interest due.
- (e) The political subdivision may not require a vendor or subcontractor to agree to waive the vendor's or subcontractor's right to interest under this chapter as a condition of the contract between the parties.

14. **SERVICE PROVIDER** shall retain all records for a minimum of **7 years** following the closure of the most recent audit report or until any pending audits, and any outstanding litigation, audit, or claim has been resolved and all questions arising therefrom have been resolved and shall make available for inspection and/or monitoring by the County, Texas Juvenile Justice Department, or any state or federal agency authorized to inspect the same.


#### **Miscellaneous Provisions**

15. **Open Records:** To the extent, if any, that any provision in this Agreement is in conflict with Tex. Gov't. Code §552.001 *et seq.*, as amended (the "Open Records Act"), the same shall be of no force and effect. Furthermore, it is expressly understood and agreed that Johnson County, its officers and employees may request advice, decisions and opinions of the Attorney General of the State of Texas in regard to the application of the Open Records Act.
16. **Limitation on the Right to Bring Action:** The laws of the State of Texas, Texas Civil Practice and Remedies Code, Section 16.070, as amended shall govern limitations for the right of SERVICE PROVIDER to bring an action, regardless of form, thus any provision to the contrary is void.
17. **Claim for Future Revenue:** Under Texas Law, a contract with a governmental entity that contains a claim against future revenues is void, thus any provision to the contrary is void.
18. **Indemnification:** The parties agree that under the Constitution and laws of the State of Texas, Johnson County cannot enter into an Agreement whereby Johnson County agrees to indemnify or hold harmless any other party; therefore, all references of any kind to Johnson County indemnifying, holding or saving harmless for any reason whatsoever are hereby deleted.
19. **Affirmative Action:** The SERVICE PROVIDER will take affirmative action to ensure any and all applicants are employed and treated during employment without regard to their race, religion, color, sex, national origin, age or handicap.
20. **Workplace Guidelines and Confidentiality:** SERVICE PROVIDER agrees that it shall adopt and implement work place guidelines concerning persons with AIDS and HIV infection and shall also develop and implement guidelines regarding confidentiality of AIDS and HIV related medical information for employees, clients, staff and residents served by the Juvenile Probation Department.
21. **No Person or Pecuniary Interest:** No officer, member or employee of Johnson County, and no member of its governing body and no other public officials of the governing body of the locality or localities in which the project is situated or being carried out who exercises any functions or responsibilities in the review or approval of the undertaking or carrying out of this project shall participate in any decision relating to this Contract which affects his/her personal interest, have any personal or pecuniary interest, direct or indirect, in this contract or the proceeds thereof.
22. **No Discrimination:** SERVICE PROVIDER certifies compliance with all terms, provisions, and requirements of Titles VI and VII, civil Rights Act of 1964, the Americans with Disabilities Act of 1990, and any other Federal, State, local or other anti-discriminatory act, law, statute, or regulation, in the performance of this contract, and will not discriminate against any child or youth, client, employee or applicant for employment because of race, creed, religion, age, sex, color, national or ethnic origin, handicap, or any other illegal discriminatory basis or criteria.

23. **No Subpoena Required for Testimony:** Upon reasonable request from Johnson County Juvenile Services or the Johnson County Attorney's Office, Service Provider's employees and agents who have contact with juveniles and their families or who provide program services shall testify in court and shall NOT require a subpoena or fail to testify based upon lack of a subpoena, or residing, working, or otherwise being beyond the range of a subpoena.


In the event of any conflict between either the terms and provisions of this addendum and the terms and provisions of those contractual provisions tendered to Johnson County, this addendum shall control.

APPROVED AS TO FORM AND CONTENT:

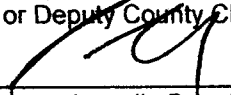
  
Johnson County Judge

11/14/16  
Date

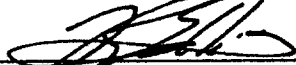
Attest:

  
Johnson County Clerk,  
Becky Ivey or Deputy County Clerk

11/14/16  
Date

  
Johnson County Juvenile Board Chairman

11/7/16  
Date

 CEO  
Authorized Representative, Title  
SERVICE PROVIDER

11-3-2016  
Date

