AGENDA ITEM
CA43

AGENDA PLACEMENT FORM

(Submission Deadline – Monday, 5:00 PM before Regular Court Meetings)

Date: August 26, 2026

Meeting Date: September 14, 2026

Submitted By: Steve Gant

Department: Juvenile Services

Signature of Elected Official/Department Head: Steve Gant

Court Decision:
This section to be completed by County Judge's Office

Johnson County APPROVED Commissioners Court

9.14.2026

Description:

Consideration and Approval of Pegasus Schools, Inc. Contract and Agreement for Residential Services.

(May attach additional sheets if necessary)

Person to Present: Steve Gant

(Presenter must be present for the item unless the item is on the Consent Agenda)

Supporting Documentation: (check one) ☐ PUBLIC ☐ CONFIDENTIAL

(PUBLIC documentation may be made available to the public prior to the Meeting)

Estimated Length of Presentation: _____ minutes

Session Requested: (check one)

☐ Action Item ☑ Consent ☐ Workshop ☐ Executive ☐ Other _____

Check All Departments That Have Been Notified:

☑ County Attorney ☐ IT ☐ Purchasing ☐ Auditor

☐ Personnel ☐ Public Works ☐ Facilities Management

Other Department/Official (list) _____

Please List All External Persons Who Need a Copy of Signed Documents In Your Submission Email

Approved in CC on 9/11/2023

CONTRACT FOR RESIDENTIAL SERVICES

This contract entered into this 1st day of September 2026, 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 childcare 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 current DFPS daily rate for the Specialized level of care.

A. For and in consideration of the above-mentioned services, the Johnson County Juvenile Probation Department agrees to pay the Service Agency **$227.34** per client day for **Specialized Level of Care.** This fee does not exceed the actual cost of childcare in the Service Agency and does not exceed the amount allowed in the current DFPS daily rate for the Specialized level of care. **The county agrees to pay the facility based on the DFPS 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.

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 the 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 the 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 monthly.

F. If a child in placement at the Service Agency makes an unauthorized departure, becomes seriously ill, or engages 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 the youth's Pegasus case manager calling them to notify the placing entity immediately and to 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, 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. Pegasus Schools, Inc has a resident grievance policy and procedure that allows for residents to write grievances that are reviewed by Administration and is in place to protect the residents' rights and provide assurance of fair treatment.

1. Report Allegations of Abuse other than Sexual abuse or Serious Physical Abuse:

Service Agency agrees to report alleged abuse, neglect, or exploitation other than allegations involving sexual abuse or serious physical abuse, no later than 24 hours after the time the Service Agency gains knowledge of or has reasonable cause to believe that abuse, neglect, or exploitation has occurred.

A. A report must be made by phone to local law enforcement.

A report must be made by phone to the Johnson County Chief Juvenile Probation Officer Steve Gant at (817) 556-6880.

B. A written report must be sent by email to the Johnson County Chief Juvenile Probation Officer Steve Gant at SteveG@johnsoncountytx.org within 24 hours after the phone report.

C. A report must be made to TJJD by phone to the toll-free number at 866-477-8354 or by submitting a completed Incident Report Form (IRF) to abuseneglect@tiid.texas.gov. If the report is made by phone, a completed IRF must be submitted by email within 24 hours after the phone report.

2. Report Sexual Abuse, Serious Physical Abuse, or Serious Incident: Service Agency agrees to report allegations of sexual abuse, serious physical abuse, or serious incident, immediately, but no later than one hour after Service Agency gains knowledge of or has reason to believe that alleged sexual abuse, serious physical abuse, or serious incident has occurred.

A. A report must be made by phone to local law enforcement.

A report must be made by phone to the Johnson County Chief Juvenile Probation Officer Steve Gant at (817) 556-6880.

B. A report must be made by phone to the TJJD toll-free number at 866-477-8354 immediately, but no later than four hours after Service Agency gains knowledge of alleged sexual abuse or serious physical abuse.

C. A completed Incident Report Form (IRF) must be submitted to TJJD within 24 hours after the initial phone report, by email, to abuseneglect@tiid.texas.gov.

3. Report Deaths: Service Agency agrees to report after the discovery of a death that occurred on the premises of Service Agency's facility or in the presence of an employee, volunteer, or individual working under the auspices of said facility, regardless of where the death occurred:

A. A report of a death must be made to local law enforcement by phone immediately upon, and no later than one hour after, the discovery or notification of the death.

A report of a death must be made by phone to the Johnson County Chief Juvenile Probation Officer Steve Gant at (817) 556-6880 immediately upon, and no later than one hour after, the discovery or notification of the death.

B. A report of a death must be made to the TJJD Office of Inspector General (OIG) at 512-490-7400 immediately upon, and no later than four hours after, the discovery or notification of the death.

C. A completed Incident Report Form (IRF) must be submitted to the TJJD OIG within 24 hours after the initial phone report by email to daniel.guajardo@tiid.texas.gov.

D. A written report of the cause of death must be submitted to the Office of the Attorney General no later than 30 days after the juvenile's death if required by Article 49.18, Code of Criminal Procedure.

E. A copy of the death investigative report must be submitted to TJJD no later than 10 days after completion.

4. Conduct Internal Investigations: In every case in which a report of the death of a juvenile or of an allegation of abuse, neglect, or exploitation has occurred, an internal investigation must be conducted.

A. Service Agency agrees to have an internal investigation conducted by a person qualified by experience or training to conduct a comprehensive investigation.

B. Service Agency agrees to conduct or fully cooperate with Johnson County Juvenile Probation Department to conduct an internal investigation immediately upon Service Agency's knowledge of the incident.

C. Internal Investigations must be completed within thirty business days after the initial report to TJJD.

5. Cooperate with TJJD: Service Agency agrees to fully cooperate with TJJD in conducting any assessment, review, or investigation related to allegations, incidents, or compliance with this Agreement.

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 the County with 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 all funds received under this contract.

G. The Service Agency shall maintain all applicable records for a minimum of seven 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 the 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 with 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 milieus 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 benefits. 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 the Court specifies arrangements. This does not preclude reasonable attempts to seek voluntary contributions 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 the Johnson County Juvenile Probation Department is not charged for such fiscal support for which the client is otherwise eligible.

C. The 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. The 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. OFFICALS 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 circumstances:

(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 perform the work as to endanger performances of this Contract in accordance with its terms, and in either of these two circumstances does not resolve such failure within a period of 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 of the intention to 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 enough 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 Johnson and Caldwell Counties.

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. TEXAS GOVERNMENT CODE SECTION 808.001

The parties within this contract verify to not currently boycotting Israel and will not boycott Israel during the term of this contract. The term "boycott Israel" is defined by the Texas Government Code Section 808.001, effective September 1, 2017.

XIII. CONTRACT PERIOD

The Contract period will begin on September 1, 2026, and will expire on August 31, 2027.

BY: _____
Steve Gant
Johnson County Chief JPO

DATE: 8-25-26

BY: _____
Chris Moody
Chief Executive Officer
Pegasus Schools, Inc.

DATE: 8-26-2026

BY: _____
Steve McClure
Chairman, Juvenile Board

DATE: 8-26-2026

BY: _____
Christopher Boedecker
Johnson County Judge

DATE: 9.14.26

ATTEST: _____
Johnson County Clerk
April Long or Deputy County Clerk

COMMISSIONERS COURT JOHNSON COUNTY, TEXAS

9.14.26