

MODIFICATION OF CONTRACT

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1A. Contract No. 696-PF-9-11-C0051 Diboll Correctional Center	1B. Order No. (FO,JO,SA)	2. Modification No. M-007	3. Effective Date May 1, 2011
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4. Issued By: Texas Department of Criminal Justice Contracts and Procurement, Client Services and Governmental Contracts Branch Two Financial Plaza, Suite 525 Huntsville, Texas 77340	5. Name and Address of Contractor (No., street, city, state & ZIP code) Management & Training Corporation P.O. Box 10 500 N. Marketplace Drive Centerville, Utah 84014
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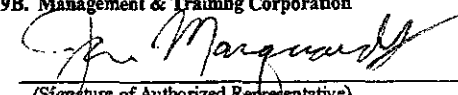
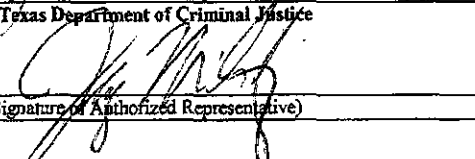
6. BILATERAL MODIFICATION ISSUED PURSUANT TO AUTHORITY UNDER: Section I.14, Contract Changes

7. CONTRACTOR IS REQUIRED TO SIGN THIS DOCUMENT AND RETURN 3 ORIGINALS TO THE ISSUING OFFICE.

8. PURPOSE OF MODIFICATION: Decrease FY11 Funding; replace Section B.2; revise Sections C.4.8.B.9 and C.4.8.C.2.g; and replace Exhibits J.1, J.6 and J.8.

- 9. DESCRIPTION OF MODIFICATION:**
- A. Revise funding for the Base Period (January 16, 2009 through August 31, 2011) from \$17,614,320.64 to \$17,597,117.86, a decrease of \$17,202.78.
 - B. Replace Section B.2, Pricing Schedule, to change the daily per diem rates for Contract Line Item Number (CLIN) 003-007.
 - C. Delete Section C.4.8.B.9, Project Re-Integration of Offenders (RIO), in its entirety.
 - D. Revise Section C.4.8.B.10, Libraries, to read Section C.4.8.B.9, Libraries.
 - E. Revise Section C.4.8.C.2.g, GED, 2nd sentence, to delete the following: "which will be included in the Project RIO file."
 - F. Replace Exhibit J.1, Cost Summary, with revised Exhibit J.1, Cost Summary.
 - G. Replace Exhibit J.6, Compliance Standards, with revised Exhibit J.6, Compliance Standards.
 - H. Replace Exhibit J.8, Staffing Plan, dated May 21, 2010, with revised Exhibit J.8, Staffing Plan, dated April 15, 2011.

Except as provided herein, all terms and conditions of the contract referenced above, as hereto changed, remain unchanged and in full force and effect.

9A. Name and Title of Authorized Representative (Type or Print) Jane Marquardt Vice Chair	9B. Management & Training Corporation  (Signature of Authorized Representative)	9C. Date Signed 4/25/11
10A. Authorized Representative Jerry McGinty Chief Financial Officer	10B. Texas Department of Criminal Justice  (Signature of Authorized Representative)	10C. Date Signed 5/6/11

B.2 PRICING SCHEDULE**Contract Line Item Number (CLIN) 001-007**

001	Base Period, Year 1 (01/16/09 – 08/31/09)	<u>\$35.16</u> Daily Per Diem Rate
002	Base Period, Year 2 (09/01/09 – 08/31/10)	<u>\$35.16</u> Daily Per Diem Rate
003	Base Period, Year 3 (09/01/10 – 04/30/11)	<u>\$36.04</u> Daily Per Diem Rate
003	Base Period, Year 3 (05/01/11 – 08/31/11)	<u>\$35.77</u> Daily Per Diem Rate
004	Option Period 1, Year 1 (09/01/11 – 08/31/12)	<u>\$36.14</u> Daily Per Diem Rate
005	Option Period 1, Year 2 (09/01/12 – 08/31/13)	<u>\$36.50</u> Daily Per Diem Rate
006	Option Period 2, Year 1 (09/01/13 – 08/31/14)	<u>\$38.53</u> Daily Per Diem Rate
007	Option Period 2, Year 2 (09/01/14 – 08/31/15)	<u>\$39.50</u> Daily Per Diem Rate

	STANDARD	ACCEPTABLE	UNACCEPTABLE	PAYMENT ADJUSTMENT CALCULATION
1.	Contractor shall accurately and completely report all Uses of Force, in accordance with TDCJ's Use of Force Plan. (Section C.5)	≤ 5 Errors or omissions on a single Use of Force packet.	> 5 Errors or omissions on a single Use of Force packet.	Reduce \$20.00 for every 5 errors or omissions above the acceptable 5. Reduce \$35.00 for each day the report is not accurate and complete.
2.	Contractor shall submit all Uses of Force within 15 days of incident occurrence in accordance with TDCJ Policy.	≤ 15 Days	> 15 Days	Reduce \$35.00 for every day past the required 15 days.
3.	Contractor shall accurately and completely report all Administrative Review of Incident Reports.	≤ 5 Errors or omissions on a single Administrative Review of Incident Report submitted.	> 5 Errors or omissions on a single Administrative Review of Incident Report submitted.	Reduce \$20.00 for every 5 errors or omissions above the acceptable 5. Reduce \$35.00 for each day the report is not accurate and complete.
4.	Contractor shall submit all Administrative Review of Incident Reports to the designated TDCJ staff within 10 working days (Monday-Friday, excluding Texas state holidays as defined by the legislature) of incident occurrence in accordance with TDCJ Policy.	≤ 10 Working Days	> 10 Working Days	Reduce \$35.00 for every day past the acceptable 10 working days.
5.	Contractor shall process offender disciplinary cases in accordance with TDCJ Disciplinary policy to ensure cases do not lapse. (Section C.4.22)	≤ 1% Offender disciplinary cases lapsed on a monthly basis.	> 1% Offender disciplinary cases lapsed on a monthly basis.	Reduce \$60.00 for every percentage above 1%.
6.	Contractor shall staff all positions with fully qualified employees, including special certification and licenses where applicable, as directed in Section C.4.2.A.	a. ≤ 60 calendar days for Non-Uniformed positions not requiring Pre-Service per AD-12.20 or security supervisor/administrator positions identified in C.4.2.E. b. ≤ 90 calendar days for Correctional Officer positions or Non-Uniformed positions requiring Pre-Service per AD-12.20.	a. > 60 calendar days for Non-Uniformed positions not requiring Pre-Service per AD-12.20 or security supervisor/administrator positions identified in C.4.2.E. b. > 90 calendar days for Correctional Officer positions or Non-Uniformed positions requiring Pre-Service per AD-12.20.	Reduce by an average daily salary (see Exhibit J.6.a) for each calendar day a position is vacant in excess of 60 or 90 calendar days as applicable when a vacancy exceeds the calendar day acceptable allowance for filling a position.
7.	Contractor shall follow all requirements in Section C.4.2. Including background check prior to initial employment, the re-hiring of staff, annual background checks and an employee needing approval to return to work after being arrested, indicted or charged with a criminal offense.	100%	<100%	Reduce \$50.00 per day.

	STANDARD	ACCEPTABLE	UNACCEPTABLE	PAYMENT ADJUSTMENT CALCULATION
8.	Contractor shall obtain from TDCJ and maintain a copy in employee files, prior written approval to hire all Upper-Level Management staff as directed in Section H.6.	100%	<100%	Reduce by an average daily salary for each day the position was filled with a non-approved individual.
9.	Contractor shall maintain valid current insurance policies as directed in Section H.1.	Valid current insurance policies.	Lapsed policy or policy not meeting Section H.1 requirements.	Reduce \$1,000 per calendar day for which mandated insurance coverage was not in effect. Facility has 20 days to cure before this becomes an Event of Default per Section I.3.
10.	Contractor shall achieve and/or maintain ACA accreditation, to include ACA Performance Based Correctional Health Care Program, throughout the contract as directed in Section C.7.	Accreditation achieved and/or continuously maintained throughout the contract.	Accreditation not achieved and/or maintained throughout the contract.	Reduce \$500.00 for each calendar day that certification fails to be achieved and/or maintained throughout the contract. Facility has 20 days to cure before this becomes an Event of Default per Section I.3.
11.	In the absence of the teacher, educational services must continue to be provided by a qualified substitute as directed in Section C.4.8.D.	Qualified substitutes provided coverage for educational programs.	Classes were either cancelled, were conducted by an unqualified substitute or an employee assigned to another post.	Reduce by the average daily salary for an Education position for each day that a class did not have a qualified substitute provide instruction.
12.	Contractor shall deploy staff to all security supervisor and security officer posts as directed in Section C.4.2.A and Staffing Plan. (Exhibit J.8)	100% of security supervisor and security officer posts are manned.	Less than 100% of security supervisor and security officer posts are manned.	Reduce \$40.00 for a post not manned. Reduce \$50.00 for a post not manned by a qualified fully trained staff.
13.	Contractor shall submit a written response to TDCJ detailing the corrective action taken to address any items of non-compliance within twenty (20) days of receiving written notice of the item from TDCJ. If any items of non-compliance are not verified as corrected by the Contract Monitor, the Contractor shall be notified in writing of the remaining item(s) of non-compliance and the Contractor shall submit an immediate subsequent written response to TDCJ. (Section E.1.D)	≤ 20 Calendar Days from the first response < 3 Calendar Days for subsequent response(s) Corrective action taken by the Contractor, as reported in its initial and/or subsequent written response(s), to address each item of non-compliance is verified as operational by the Contract Monitor.	> 20 Calendar Days from the first response > 3 Calendar Days for subsequent response(s) Corrective action taken, as reported in the Contractor's initial and/or subsequent written response, for each item of non-compliance cannot be verified as operational by the Contract Monitor.	TDCJ shall utilize Section G.4.7, Withholding of Payment for each day the response is past the acceptable number. This reduction shall range from \$195 per day to withholding the Monthly Contractor Payment, based on the decision of the TDCJ-PFCMOD Director.

From time to time throughout the term of this Contract TDCJ may temporarily suspend some or all of the payment adjustments identified in the above table. Decisions to suspend payment adjustments will be made by the TDCJ-PFCMOD Director and will be conveyed to the Contractor by letter. Decisions and notifications to reinstate payment adjustments will be handled in a similar manner.

Average Daily Salary Schedule

Position Description	Year 1	Year 2	Year 3	Option Year 1	Option Year 2	Option Year 3	Option Year 4
Warden / Asst Warden	\$ 250	\$ 258	\$ 265	\$ 273	\$ 282	\$ 290	\$ 299
Admin Asst / Secretary / Clerk / Receptionist	\$ 103	\$ 106	\$ 109	\$ 112	\$ 116	\$ 119	\$ 123
Business Manager / Bookkeeper / Personnel	\$ 160	\$ 165	\$ 170	\$ 175	\$ 180	\$ 186	\$ 191
Mailroom Supervisor	\$ 90	\$ 92	\$ 95	\$ 98	\$ 101	\$ 104	\$ 107
Safety Officer / Coordinator - Grievance, Training & Compliance	\$ 115	\$ 119	\$ 122	\$ 126	\$ 130	\$ 134	\$ 138
Security Supervisors / Unit Manager	\$ 128	\$ 132	\$ 136	\$ 140	\$ 144	\$ 149	\$ 153
Security Officer	\$ 109	\$ 112	\$ 116	\$ 119	\$ 123	\$ 126	\$ 130
Unit Support	\$ 115	\$ 119	\$ 122	\$ 126	\$ 130	\$ 134	\$ 138
Education	\$ 192	\$ 198	\$ 204	\$ 210	\$ 217	\$ 223	\$ 230

APPENDIX

Exhibit J.1, Cost Summary Deleted – Contains Proprietary Information

Exhibit J.8, Staffing Plan Deleted - Contains Proprietary Information

