## STATE OF NEBRASKA SERVICE CONTRACT AWARD

**PAGE**

1 of 2

**ORDER DATE**

12/31/15

**DEPT CORRECTIONAL SERVICES**

**CONTRACT NUMBER**

69908 04

**VENDOR NUMBER:** 2240792

**VENDOR ADDRESS:**

ALLVEST INFORMATION SERVICES INC

PO BOX 1802

SALT LAKE CITY UT 84110-1802

**BUYER**

CHRIS KLIMENT (DCS)

Contact: Sean Hosman, Chief Executive Off

Phone: (801) 295-1385

Cell: (801) 541-5212

Fax: (801) 443-1982

E-mail: shosman@assessments.com

DEPARTMENT CORRECTIONAL SERVICES

**Buyer:** Chris Kliment

Phone: (402) 479-5718

Fax: (402) 479-5663

E-mail: chris.klimenl@nebraska.gov

AN AWARD HAS BEEN MADE TO THE VENDOR/CONTRACTOR NAMED ABOVE FOR THE SERVICES AS LISTED BELOW FOR THE PERIOD:

DECEMBER 28, 2015 THROUGH DECEMBER 27, 2018

THIS CONTRACT IS NOT AN EXCLUSIVE CONTRACT TO FURNISH THE SERVICES SHOWN BELOW, AND DOES NOT PRECLUDE THE PURCHASE OF SIMILAR SERVICES FROM OTHER SOURCES.

THE STATE RESERVES THE RIGHT TO EXTEND THE PERIOD OF THIS CONTRACT BEYOND THE TERMINATION DATE WHEN MUTUALLY AGREEABLE TO THE VENDOR/CONTRACTOR AND THE STATE OF NEBRASKA.

Original/Bid Document 82500 03

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<th>Unit of Measure</th>
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The contract shall consist of the following:
1. The signed Invitation to Bid Form;
2. The Invitation to Bid narrative including Procurement Procedures, Terms and Conditions, Project Description/Scope of Work and Proposal Instructions;
3. The Contractor's Proposal; and
4. Any Contract Amendments, in order of significance

Invoices to: NE Department of Correctional Services
Accounts Payable
P.O. Box 94661
Lincoln, NE 68509-4661
Or via e-mail to: DCS.AccountsPayable@nebraska.gov

Accounts Payable Contact (402) 479-5715
DEBARTMENT
The Contractor certifies that the contractor is not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any federal department or agency from participating in transactions (debarred). The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor also agrees to include the above requirements in any and all subcontracts into which it enters. The contractor shall immediately notify the Buyer in the event of any order, the contractor becomes debarred. The Department may immediately terminate this contract by providing contractor written notices if contractor becomes debarred during the term of this contract.

DRUG POLICY
The Contractor certifies that it maintains a drug free workplace environment to ensure worker safety and workplace integrity. The Contractor agrees to provide a copy of its drug free workplace policy at any time upon request by the State.

NE ACCESS TECHNOLOGY STANDARDS
Contractor shall review the Nebraska Technology Access Standards, found at http://nebraska.gov/standards2/2-201.html and ensure that products and/or services provided under the purchase order are in compliance. Contractor shall comply with the applicable standards. In the event such standards change during the Contractor’s performance, the State may make a change order to request that the purchase order comply with the changed standard at a cost mutually acceptable to the parties.

COMPLIANCE WITH CIVIL RIGHTS LAWS AND EQUAL OPPORTUNITY EMPLOYMENT / NONDISCRIMINATION
The Contractor shall comply with all applicable laws, local, state, and federal statutes and regulations regarding civil rights laws and equal opportunity employment. The Nebraska Fair Employment Practice Act prohibits Contractors and subcontractors of the State of Nebraska, and their Subcontractors, from discriminating against any employee or applicant for employment, with respect to hiring, tenure, terms, conditions, compensation, or privileges of employment because of race, color, religion, sex, disability, marital status, or national origin (Neb. Rev. Stat. §48-1101 to 48-1125). The Contractor guarantees compliance with the Nebraska Fair Employment Practice Act, and breach of this provision shall be regarded as a material breach of purchase order.

PERMITS, REGULATIONS, LAWS
The Contractor shall procure and pay for all permits, licenses, and approvals necessary for the execution of the purchase order. The Contractor shall comply with all applicable local, state, and federal laws, ordinances, rules, orders, and regulations.

INDEPENDENT CONTRACTOR
It is agreed that nothing contained herein is intended or should be construed in any manner as creating or establishing the relationship of partners between the parties hereto. The Contractor represents that it has, or will secure at its expense, all personnel required to perform the services under the purchase order. The Contractor’s employees and other persons engaged in work or services required by the Contractor shall have no contractual relationship with the State; they shall not be considered employees of the State.

All claims on behalf of any person arising out of employment or alleged employment (including without limit claims of discrimination against the Contractor, its officers, or its agents) shall in no way be the responsibility of the State. The Contractor will hold the State harmless from any and all such claims. Such personnel or other persons shall not be required or be entitled to any compensation, rights, or benefits from the State including without limitation, rights, medical and hospital care, sick and vacation leave, severance pay, or retirement benefits.

CONTRACTOR RESPONSIBILITY
The Contractor is solely responsible for fulfilling the purchase order, with responsibility for all work performed and products to be delivered.

STATE PROPERTY
The Contractor shall be responsible for the proper care and custody of any State-owned property which is furnished for the Contractor’s use during the performance of the purchase order. The Contractor shall reimburse the State for any loss or damage of such property, normal wear and tear is expected.

SITE RULES AND REGULATIONS
The Contractor shall use its best efforts to ensure that its employees, agents, and Subcontractors comply with site rules and regulations while on State premises. If the Contractor must perform off-site work outside of the daily operational hours set forth by the State, it must make arrangements with the State to ensure access to the facility and the equipment has been arranged. No additional payment will be made by the State on the basis of lack of access, unless the State fails to provide access as agreed to between the State and the Contractor.

FUNDING OUT CLAIM OR LOSS OF APPROPRIATIONS
The State may terminate the purchase order, in whole or in part, in the event funding is no longer available. The State’s obligation to pay amounts due for fiscal years following the current fiscal year is contingent upon legislative appropriation of funds for the purchase order. Should said funds not be appropriated, the State may terminate the purchase order with respect to those payments for the fiscal years for which such funds are not appropriated. The State will give the Contractor written notice thirty (30) calendar days prior to the effective date of any termination, and advise the Contractor of the location (address and room number) of any related equipment or supplies located at the State property. The Contractor shall remove all equipment or supplies that are not related to the purchase order or related to the State’s operation at the State expense within thirty (30) calendar days of receipt of notice.

RIGHT TO AUDIT
The Contractor shall establish and maintain a reasonable accounting system that enables the State to readily audit purchase order. The State and its authorized representatives shall have the right to audit, examine, and make copies of or extract from all financial and related records (in whatever form they may be kept, whether written, electronic, or other) relating to or pertaining to this purchase order kept by or under the control of the Contractor, including, but not limited to those kept by the Contractor, its employees, agents, assigns, successors, and Subcontractors. Such records shall include, but not be limited to, accounting records, written policies and procedures; all paid vouchers including those for out-of-pocket expenses, other reimbursement supported by invoices; ledgers, canceled checks, deposit slips, bank statements, journals, original estimates; engineering work sheets, contract amendments and change order files, backcharge logs and supporting documentation, insurance documents, payroll documents, timesheets, memoranda, and correspondence.

The Contractor shall, at all times during the term of this purchase order and for a period of five (5) years following the completion of this purchase order, maintain such records, together with such supporting or underlying documents and materials. The Contractor shall at any time requested by the State, whether during or after completion of this purchase order and of the Contractor’s own expense make such records available for inspection and audit. Such records shall be maintained and kept for the State during normal business hours at the Contractor’s office or place of business. In the event that no such location is available, then the financial records, together with the supporting or underlying documents and records, shall be made available for audit at a time and location that is convenient for the State. Contractors, Subcontractors, and the States shall provide and maintain a drug free workplace environment. The Contractor shall certify that it maintains a drug free workplace environment. The Contractor shall also agree to include this certification in any and all subcontracts into which it enters. The contractor shall also agree to provide a copy of its drug free workplace policy at any time upon request by the State.

COSTS OF ANY AUDITS CONDUCTED UNDER THE AUTHORITY OF THIS RIGHT TO AUDIT AND NOT ADDRESSED ELSEWHERE WILL BE BORNE BY THE STATE UNLESS CERTAIN EXCEPTION CRITERIA ARE MET. IF THE AUDIT IDENTIFIES OVERPRICING OR OVERCHARGES (OF ANY NATURE) BY THE CONTRACTOR TO THE STATE IN EXCESS OF ONE-HALF OF ONE PERCENT (1/2%) OF THE TOTAL PURCHASE ORDER BILLINGS, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR THE TOTAL COSTS OF THE AUDIT. IF THE AUDIT DISCOVERS SUBTRACTIVE FINDINGS RELATED TO FAULT, MISREPRESENTATION, OR NON-PERFORMANCE, THE CONTRACTOR SHALL REIMBURSE THE STATE FOR THE TOTAL COSTS OF THE AUDIT. ANY ADJUSTMENTS AND/OR PAYMENTS THAT MUST BE MADE AS A RESULT OF ANY SUCH AUDIT OR INSPECTION OF THE CONTRACTOR’S INVOICES AND/OR RECORDS SHALL BE MADE WITHIN A REASONABLE AMOUNT OF TIME (NOT TO EXCEED 30 DAYS) FROM PRESENTATION OF THE AUDIT’S FINDINGS TO CONTRACTOR.

DISASTER RECOVERY/BACK UP PLAN
The Contractor shall have a disaster recovery and back-up plan, of which a copy should be provided to the State, which includes, but is not limited to equipment, personnel, facilities, and transportation, in order to continue services as specified under these specifications in the event of a disaster.

TIME IS OF THE ESSENCE
Time is of the essence in this purchase order. The acceptance of late performance with or without objection or reservation by the State will not waive any rights of the State nor constitute a waiver of the requirement of timely performance of any obligations on the part of the Contractor remaining to be performed.

ASSIGNMENT BY THE STATE
The State shall have the right to assign or transfer the purchase order or any of its interests herein to any agency, board, or commission of the State of Nebraska. There shall be no change to the State for any assignment hereunder.

ASSIGNMENT BY THE CONTRACTOR
The Contractor may not assign, voluntarily or involuntarily, the purchase order or any of its rights or obligations hereunder (including without limitation rights and duties of performance) to any third party, without the prior written consent of the State, which will not be unreasonably withheld.

GOVERNING LAW
The purchase order shall be governed in all respects by the laws and statutes of the State of Nebraska. Any legal proceedings against the State of Nebraska regarding this purchase order shall be brought in the State of Nebraska administrative or judicial forums as defined by State law. The Contractor must be in compliance with all Nebraska statutory and regulatory laws.

ATTORNEYS FEES
In the event of any litigation, appeal, or other legal action to enforce any provision of the purchase order, the Contractor agrees to pay all expenses of such action, as permitted by law, including attorney’s fees and costs, if the State is the prevailing party.

ADVERTISING
The Contractor agrees not to refer to the purchase order in advertising in any manner as to state or imply that the company or its services are endorsed or preferred by the State. News releases pertaining to the project shall not be issued without prior written approval from the State.

EARLY TERMINATION
The purchase order may be terminated as follows:
1. The State and the Contractor, by mutual written agreement, may terminate the purchase order at any time.
2. The State, at its sole discretion, may terminate the purchase order for any reason upon thirty (30) calendar days written notice to the Contractor. Such termination shall not relieve the Contractor of warranty or other obligations incurred under the terms of the purchase order. In the event of cancellation the Contractor shall be entitled to payment, for those products received and accepted by the State, or determined on a pro rata basis, for products or services satisfactorily provided or performed.

3. The State may terminate the purchase order immediately for the following reasons:
   a. If directed to do so by statute.
   b. Contractor has made an assignment for the benefit of creditors, has admitted in writing its inability to pay debts as they mature, or has ceased operating in the normal course of business.
   c. Proceeds or revenues of the Contractor or any portion of the Contractor's assets have been assigned or conveyed by a court, to a lessor or assignee, under a lease or assignment for the benefit of creditors, or has been answered or agreed to a complaint for fraud.
   d. Fraud, misrepresentation, bankruptcy, insolvency, or illegal conduct pertaining to performance under the purchase orders by its Contractor, its employees, officers, directors, or shareholders.
   e. An involuntary proceeding has been commenced by any party against the Contractor under any one of the chapters of Title 11 of the United States Code and the proceeding has been pending for at least sixty (60) calendar days, or f. The Contractor has consented, either expressly or by operation of law, to the entry of an order of relief, or (g) The Contractor has been declared or adjudged a debtor.
   h. A voluntary petition has been filed by the Contractor against any of the chapters of Title 11 of the United States Code.
   i. The Contractor intentionally disclosed confidential or financial information.
   j. The Contractor has or announces it will discontinue support or provision of the delivery.
   k. Any subsequent document delivered "Vendor performance report" form deemed acceptable by the State Purchasing Bureau.
   l. The Contractor engaged in collusion or other actions which could have provided Contractor an unfair advantage in obtaining this purchase order.

BREACH BY CONTRACTOR

The State may terminate the purchase order. In whole or in part, if the Contractor fails to perform its obligations under the purchase order in a timely and proper manner. The State may, by providing a written notice of default to the Contractor, require the Contractor to cure a failure of performance within a period of thirty (30) calendar days (or longer at State's discretion considering the gravity and nature of the default). Said notice shall be delivered by certified mail, return receipt requested, or in person with proof of delivery. Allowing the Contractor to cure a failure or breach of purchase order does not waive the State's right to immediately terminate the purchase order for the same or a different purchase order breach which may occur at a different time. In case of default of the Contractor, the State may contract the goods from other sources and hold the Contractor responsible for any excess cost occasioned thereby.

ASSURANCES BEFORE BREACH

If any document or deliverables required pursuant to the purchase order does not fulfill the requirements of the purchase order, upon written notice from the State, the Contractor shall deliver assurances in the form of additional Contractor resources at no additional cost to the project in order to make the deliverable, and to ensure that other purchase order schedules will not be adversely affected.

ACCEPTANCE AND PAYMENT OF GOODS

In the event the Contractor fails to provide the goods requested by the State, the State will not pay for such products until the same has been received and accepted by the State.

FORCE MAJEURE

Neither party shall be liable for any costs or damages resulting from its inability to perform any of its obligations under the purchase order due to a natural disaster, or other similar incident outside the control and not the fault of the affected party ("Force Majeure Event"). A Force Majeure Event shall not constitute a breach of the purchase order. The party so affected shall immediately give notice to the other party of the Force Majeure Event. The party affected by the Force Majeure Event shall provide the non-affected party with proof of performance by a Force Majeure Event. The burden of proof for the need for such relief shall rest upon the Contractor. To obtain release based on a Force Majeure Event, the Contractor shall file a written request for relief with the State Purchasing Bureau. Labor disputes with the impacted party's own employees will not be considered a Force Majeure Event and will not suspend performance requirements under the purchase order.

PROHIBITION AGAINST ADVANCE PAYMENT

Payment shall not be made until purchase order deliverable(s) are received and accepted by the State.

PAYMENT

State will render payment to Contractor when the terms and conditions of the purchase order and specifications have been satisfactorily completed on the part of the Contractor as solely determined by the State. Payment will be made by the responsible agency in compliance with the State of Nebraska Prompt Payment Act (See Neb. Rev. Stat. §§ 81-2401 through 81-2408). The State may require the Contractor to accept payment by electronic means such as AGI Direct Deposit. In no event shall the State be responsible for late or improper payments for goods provided by the Contractor prior to the Effective Date, and the Contractor hereby waives any claim or cause of action for any such delays.

INVOICES

Invoices for payments must be submitted by the Contractor to the agency requesting the goods with sufficient detail to support payment. The terms and conditions included in the Contractor's invoices shall be deemed to be the terms and conditions of the purchase order. No terms or conditions of any such invoice shall be binding upon the State, and no action by the State, including without limitation the payment of any such invoice in whole or in part, shall be construed as binding or stopping the State with respect to any such term or condition, unless the invoice term or condition has been previously agreed to by the State as a change order to the purchase order.

TAXES

The State is not required to pay taxes of any kind and assumes no such liability as a result of this solicitation. Any property tax payable on the Contractor's equipment which may be installed in a state-owned facility is the responsibility of the Contractor.

INSPECTION AND APPROVAL

Final Inspection and approval of all work required under the purchase order shall be performed by the designated State officials. The State and/or its authorized representatives shall have the right to enter any premises where the Contractor or Subcontractor duties under the purchase order are being performed, and to inspect, monitor or otherwise evaluate the work being performed. All inspections and evaluations shall be at reasonable times and in a manner that will not unnecessarily delay work.

SEVERABILITY

If any term or condition of the purchase order is declared by a court of competent jurisdiction to be illegal or in conflict with any law, the validity of the remaining terms and conditions shall not be affected, and the rights and obligations of the parties shall be construed and enforced as if the purchase order did not contain the particular provision held to be invalid.

CONFIDENTIALITY

All materials and information provided by the State or acquired by the Contractor on behalf of the State shall be regarded as confidential information. All materials and information provided by the State or acquired by the Contractor on behalf of the State shall be handled in accordance with federal and state law, and ethical standards. The Contractor must ensure the confidentiality of such materials or information. Should said confidentiality be breached by a Contractor; Contractor shall notify the State immediately of said breach and take immediate corrective action.

It is incumbent upon the Contractor to inform its officers and employees of the penalties for improper disclosure imposed by the Privacy Act of 1974, 5 U.S.C. 552a. Specifically, 5 U.S.C. 552a (e)(3), provides that any officer or employee of a Contractor, who fails to follow the employee's official position has possession of or access to agency records which contain individually identifiable information, the disclosure of which is prohibited by the Privacy Act regulations established under the Act, who knowing that such disclosure of the specific material is prohibited, willfully discloses the material in any manner to any person or agency not entitled to receive it, shall be guilty of a misdemeanor and fined not more than $5,000.

INDEMNIFICATION

1. GENERAL

The Contractor agrees to defend, indemnify, hold, and save harmless the State and its employees, volunteers, agents, and its elected and appointed officials (the indemnified persons) from and against and all claims, losses, damages, liability, actions, causes of action, losses, judgments, costs, and expenses of every nature, including investigation costs and expenses, settlement costs, and attorney fees and expenses (the claim), sustained or asserted against the State, arising out of, resulting from, or with respect to the willful misconduct, negligence, error, or omission of the Contractor, its employees, Subcontractors, consultants, representatives, and agents, except to the extent such Contractor liability is attributable by any action of the State which is directly and proximately contributed to the claims.

2. INDEMNIFICATION

The Contractor agrees it will, at its sole cost and expense, defend, indemnify, and hold harmless the indemnified persons from and against any and all claims, to the extent such claims arise out of, result from, or are attributable to, the actual or alleged infringement or misappropriation of any patent, copyright, trade secret, trademark, or confidential information of any third party by the Contractor or its employees, Subcontractors, consultants, representatives, and agents, provided the Contractor gives the State notice in writing of the claim. The Contractor may not settle any infringement claim that will affect the State's use of the Licensed Software without the State's prior written consent, which consent must be obtained for any indemnification.

If a judgment or settlement is obtained or reasonably anticipated against the State's use of any intellectual property for which the Contractor has indemnified the State, the Contractor shall, at the State's sole cost and expense, promptly provide the State with or inspect the information to the State's benefit to provide the necessary relief to the State to eliminate the infringement or provide the State with a non-infringing substitute that provides the State the same functionality. At the State's election, the actual or anticipated judgment may be treated as a breach of warranty by the Contractor, and the State may receive the remedies provided under this I.D.

3. PERSONNEL

The Contractor shall, at its expense, indemnify and hold harmless the indemnified parties from and against any claim with respect to withholding taxes, worker's compensation, employee benefits, or any other claim, demand, liability, damages, or loss of any nature relating to any of the personnel provided by the Contractor.

ANTITHREAT

The Contractor hereby assigns to the State any and all claims for overcharges as to goods and/or services provided in connection with this purchase order resulting from entitle violations which arise under without limitation the United States and the antitrust laws of the United States.

OFFICE OF PUBLIC COUNSEL

If it provides, under the terms of this purchase order and on behalf of the State of Nebraska, health and human services to individuals; service delivery; service coordination; or case management, Contractor shall submit to the jurisdiction of the Office of Public Counsel, pursuant to Neb. Rev. Stat. §§ 81-8-260 et seq. This section shall survive the termination of this purchase order and shall not apply if Contractor is a long-term care facility subject to the Long-Term Care Ombudsman Act, Neb. Rev. Stat. §§ 81-2237 et seq.

LONG-TERM CARE OMBUDSMAN

If it is a long-term care facility subject to the Long-Term Care Ombudsman Act, Neb. Rev. Stat. §§ 81-2237 et seq., Contractor shall comply with the Act. This section shall survive the termination of this purchase order.