

STATE OF ARIZONA  
DEPARTMENT OF CORRECTIONS  
1601 West Jefferson Street, Mail Code 55303  
Phoenix, Arizona 85007-3002

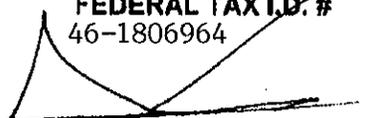
**INMATE WORK CONTRACT**

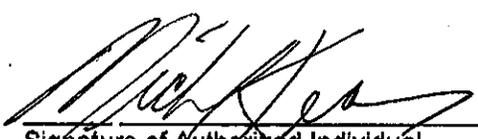
This Contract is entered into between NatureSweet USA, LLC., hereinafter referred to as the Contractor, and the Director of the Arizona Department of Corrections, for and on behalf of its Arizona Correctional Industries (ACI), hereinafter known as the Department or ACI, as specified.

**IN WITNESS WHEREOF**, the parties hereto agree to carry out the terms of this Contract.

**NATURESWEET USA, LLC.**  
**FEDERAL TAX I.D. #**  
46-1806964

**ARIZONA DEPARTMENT OF CORRECTIONS**

  
\_\_\_\_\_  
Signature of Authorized Individual Date 6/6/13

  
\_\_\_\_\_  
Signature of Authorized Individual Date 6/7/13

Adrian Almeida  
Typed Name  
Vice President, Manufacturing and Human Capital  
Typed Title  
2338 North Loop 1604 West, Ste 200  
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Michael P. Kearns  
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1601 West Jefferson Street, Mail Code 328  
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Typed Address

Email: AAlmeida@naresweet.com

Additional Signatures as Applicable

\_\_\_\_\_  
Signature Date  
\_\_\_\_\_  
Typed Name  
\_\_\_\_\_  
Typed Title

\_\_\_\_\_  
Signature Date  
\_\_\_\_\_  
Typed Name  
\_\_\_\_\_  
Typed Title

**WITNESSETH**

**WHEREAS**, the Department is duly authorized by A.R.S. §41-1604, et seq., §41-1623, §41-1624.01, and §31-254; to execute and administer Contracts, and

**WHEREAS**, the Department desires to implement the requirement that each able-bodied inmate under commitment to the Department shall engage in work activity during such term of imprisonment, and

**WHEREAS**, the Director of the Department has the authority to maintain and administer facilities and programs as may be required for the custody, control and rehabilitation of all inmates committed to the Department, and

**WHEREAS**, the Director of the Department may authorize inmate work crews from State institutions to perform acceptable tasks in any part of the State, and

**WHEREAS**, the Contractor has a need for a work force to support its agricultural operations located as specified in Attachment # 1 to this contract, and

**WHEREAS**, the Department is able to provide an inmate work force to support this work program from its Arizona State Prison Complexes (institutions), as shown in Attachment #1.

**NOW, THEREFORE**, the Department, and the Contractor, do hereby agree as follows:

**1 THE CONTRACTOR AGREES:**

1.1 To appoint a supervisor(s) who shall provide both technical and operational supervision. Appointed supervisors shall abide by and put into operational practice the Standard Work Provision for Inmate Work Programs Utilizing On-Site Correctional Officer(s) (CO) / Industry Program Specialist(s) (IPS) (refer to Attachment #2).

1.1.1 Technical supervision means the Contractor shall provide staff who knows the types of work tasks to be accomplished and the correct way to complete each task. Technical supervisors teach assigned inmates how to complete their job assignments.

1.1.2 Operational supervision means the Contractor shall provide staff that remain with assigned inmate workers for the length of each shift to supervise inmate work production.

1.2 Contractor and the employees who participate in this Contract shall be screened and approved in writing prior to permitting them access to an institution and/or prior to allowing them to supervise inmates on or off institution grounds. Contractor shall submit in writing, upon request from ACI, any information necessary to screen and approve them for access to the institution. This information shall include, but not necessarily be limited to: Name, Date of Birth, and Social Security Number. Contractor personnel who require recurring access to the institution, and as such require a Contractor's Identification Card, will be required to complete and submit the prescribed

Background Questionnaire form to ACI. Background Questionnaire form will be provided by ACI.

- 1.3 Subsequent to Contract initiation, should the Contractor's supervisors change, ACI shall be notified at least two (2) work days prior to the impending change to permit completion of the Department approval process. If prior notice is not possible, the Department may withhold the inmate work crew of that supervisor until the necessary approval process is completed.
- 1.4 To provide necessary tools/equipment, drinking water, sanitary facilities with hand washing facilities and clothing or personal protective equipment (PPE) appropriate to the work performed. PPE shall be provided at the beginning of each shift and prior to each use shall be inspected by a supervisor for completeness and functionality.
- 1.5 To provide, prior to initiating any work activities, a visual display of all fields/greenhouses under the Contractor's ownership and operation requiring inmate labor support. This obligation shall be fulfilled by the Contractor each time inmate labor is requested for a new field/greenhouse location. The visual (s) shall include at least the following:
  - 1.5.1 The distance and location of field/greenhouse(s) relative to prison facility providing the inmate labor.
  - 1.5.2 How the field/greenhouse(s) are positioned in relation to each other with an identifying label either numeric or alpha for ease of reference.
- 1.6 To assign work hours, work locations, and job assignments subject to the concurrence of the Department. Work sites shall be confined to locations which are within the Contractor's authority to manage and maintain.
- 1.7 To designate a Contractor staff member who shall serve as a liaison between the Contractor, institution and ACI in developing and coordinating work schedules, hours, and transportation. The Contractor shall ensure that the applicable institution and ACI are given the name and phone number/extension of the contact person.
- 1.8 To allocate sufficient time from job responsibilities to allow Contractor's staff assigned to this work program to attend mandatory training given by the Department prior to initiating the work activities described in this Contract.
- 1.9 To maintain the work site(s) in the manner/condition in which it was approved by the Department as complying with the requirements imposed by the custody level of assigned inmates and assigned work responsibilities. If, during the term of this Contract, security/safety concerns become evident, or the Contractor wishes to change or alter the work site(s), the ensuing procedure shall be followed:
  - 1.9.1 If, in the opinion of the institution or ACI, said security/safety

- concern(s) pose an immediate threat to the inmate workers and/or staff, the Warden of the involved institution, or ACI may withhold further assignments of the inmate work crew(s) until the source of the concern is rectified.
- 1.9.2 Security/safety concerns shall be rectified immediately by the Contractor in accordance with direction received from ACI.
- 1.9.3 Failure on the part of the Contractor to respond to the request for corrective action from the institution/ACI under circumstances described in Paragraphs 1.9.1 and 1.9.2 above shall result in the immediate suspension of the work program.
- 1.9.3.1 The parties to this Contract may then meet to discuss resolution.
- 1.9.3.2 If resolution cannot be achieved, this Contract shall be terminated.
- 1.9.3.3 The General Manager, ACI, shall be responsible for coordinating all actions shown above.
- 1.9.3.4 The Contractor shall make final payment to ACI as directed herein.
- 1.10 Should the Contractor wish to alter the work site(s) subsequent to the initiation of the work program, the ensuing procedures shall be followed:
- 1.10.1 The Contractor shall provide written notice to ACI detailing the proposed changes prior to any change or alteration being initiated.
- 1.10.2 Representatives from the institution, ACI and the Contractor shall meet and conduct a review of the proposed changes to the work site(s). If the proposed change or alteration will negatively impact the security and/or safety of assigned inmate workers or staff, necessary corrective action(s) shall be developed.
- 1.10.3 If the Contractor proceeds with the proposed changes without having received written ACI approval, ACI may withhold further assignments of inmate work crews.
- 1.11 To provide a working environment which meets the requirements of the Occupational Safety and Health Act (OSHA), Safety and Health Standards for General and or Construction Industry, 29 CFR Part 1910 and 1926, as adopted by the State of Arizona.
- 1.12 To provide, if applicable, pesticide protection and Hazardous Material Training (HAZMAT) for inmates prior to initiating the work activities described in this Contract.

- 1.12.1 Inmates shall not be allowed to be present while hazardous materials, inclusive of pesticides, are being used or applied. Pursuant to the Arizona Office of Pest Management, no inmate shall be allowed to handle or to apply pesticides. However, all hazardous materials (inclusive of pesticides), if stored and/or used on this site, and while ADC staff and/or inmates are present, require they be trained to recognize such hazardous materials and relative adverse medical signs and symptoms associated with the chemical, in accordance with the federal chemical "Right-to-Know Act" (SARA Title III).
  
- 1.13 To employ adequate loss prevention procedures relative to Contractor's business operations, in order to minimize job related injuries.
  
- 1.14 To provide training to assigned inmates in accordance with the Contractor's established training program on procedures and responsibilities:
  - 1.14.1 Training shall be on-going and given to each new inmate who is subsequently assigned to this inmate work program.
  - 1.14.2 Inmates shall be advised of the expected performance standards during the training program.
  - 1.14.3 Contractor's training staff shall maintain a training log to document participating inmates and time spent in the training effort. The log shall record the following:
    - 1.14.3.1 Each inmate's name and Department identification number.
    - 1.14.3.2 Number of training hours given to participating inmates.
    - 1.14.3.3 Type of activity for which training was provided.
    - 1.14.3.4 Written acknowledgment from each inmate that the performance standard was provided.
    - 1.14.3.5 Name(s) of the Contractor's instructor(s).
    - 1.14.3.6 Signature of instructor(s) and each participating inmate.
  
- 1.15 To conduct Work Performance Evaluations of assigned inmates every 30 days. Completed evaluations will be submitted to the unit WIPP Officer, via the assigned Correctional Officer (CO) / Industry Program Specialist (IPS). If no dedicated Officer is assigned to the labor program, the Contractor shall submit the performance evaluations (WIPP Time Sheet) directly to the WIPP

Officer. Completed evaluations must be turned in by the 5<sup>th</sup> of each month.

- 1.16 To notify the on-site Correctional Officer (CO) / Industry Program Specialist (IPS) of the need for extended work hours at least ninety (90) minutes prior to the inmates scheduled time of departure, in order for approval to be obtained. Extended work hours shall not be provided unless approved by the institution. Overtime is defined as hours worked in excess of forty (40) hours per week.
- 1.17 To pay for the following:
- 1.17.1 **Contract Service Costs**, as invoiced and identified in Attachment #3.
  - 1.17.2 **Correctional Officer (CO) / Industry Program Specialist (IPS)** supervision for any inmate who sustains a job related injury and must be transported for emergency medical care to the nearest emergency facility.
- 1.18 To comply with the following procedures in recording inmate work hours and rendering all payments due under this Contract:
- 1.18.1 **Daily Time Sheet(s)**, as identified in Attachment #5 shall be completed by the Contractor and include the signature(s) of the inmate(s), the Contractor's supervisor and the Correctional Officer (CO) / Industry Program Specialist (IPS).
  - 1.18.2 The Contractor shall complete the **Inmate Payroll Summary**, as shown by Attachment #5, bi-weekly (once every two weeks).
  - 1.18.3 The original **Inmate Payroll Summary** with the corresponding **Daily Time Sheet(s)** shall be sent to the address specified below within three (3) work days following the end of the Contractor's scheduled pay period.  
  
Arizona Correctional Industries  
Attention: Inmate Payroll  
P.O. Box 34420  
Phoenix, Arizona 85067-4420
  - 1.18.4 Should circumstances arise which would prevent the Contractor from being able to comply with this criteria, ACI shall prepare the Inmate Payroll Summary, using Daily Time Sheets provided by the Contractor. The cost of such payroll preparation shall be calculated at the rate of one hundred dollars per hour.

The Contractor shall send a copy of the **Inmate Payroll Summary** and **Daily Time Sheet(s)** within three (3) work days following the end of the Contractor's scheduled pay period to the attention of the Business Manager at the institution providing labor.

- 1.19 Payments as invoiced shall be made payable to **Arizona Correctional Industries** within ten (10) work days after receipt of invoice to the address below:
- Arizona Correctional Industries  
Attention: Accounts Receivable  
P.O. Box 34420  
Phoenix, Arizona 85067-4420
- 1.20 ACI shall disburse payments as appropriate.
- 1.21 Terms and conditions for payment of invoices:
- 1.21.1 Net amount due within ten (10) work days after receipt of invoice.
- 1.21.2 Invoices not paid within thirty (30) calendar days of invoice date will be subject to a late fee of one and one-half percent (1.5%) per month of the amount owed.
- 1.21.3 Invoices not paid within sixty (60) calendar days of invoice date may result in the suspension and possible termination of the inmate work program.
- 1.22 That prior to the initiation of operations which may result in a financial liability to the Department or ACI, the Contractor shall accomplish one of the options listed on Attachment #4, **Mechanism For Guarantee of Payment**, to guarantee payment to ACI, for work performed by inmate workers. The choice of option shall be mutually agreed upon by both parties to the Contract. Specific conditions, related to each option are shown in Attachment #4.
- 1.23 To acquire and maintain the minimum insurance coverages as identified herein. Applicable coverages and endorsements shall be renewed for the duration of this Contract with verification in the form of an insurance certificate(s) provided to the Department each year. **Prior to Contract Execution**, the Contractor shall provide insurance certificates verifying that required coverages have been met. Insurance Certificates must be provided by the Contractor to Procurement Services.
- 1.24 That inmate labor performed under this Contract shall supplement the Contractor's existing workforce and shall not result in the displacement of free-world employees, or otherwise serve as a substitute for Contractor employees.
- 1.25 To comply with Department written instructions that has a bearing upon the Contractor.
- 1.26 That inmates assigned to this work program **shall not** drive any licensed, over-the-road vehicle as part of their job responsibilities. However, assigned

inmates may be permitted to operate the Contractor's off-road mobile equipment, e.g., forklifts, etc., in accordance with Attachment #8.

1.27 To recognize that circumstances may arise during the term of this Contract which may prohibit the assignment of inmates for work assignments. Such circumstances could include acts of nature, institution riots, lock-downs, inmate work strikes, etc. The following guidelines shall govern, if such general circumstances should occur at any of the Department institutions identified herein.

1.27.1 The Contractor shall not hold the State, Department, ACI or the institution(s) involved, liable for failure to perform, or in default of Contract terms due to circumstances described above.

1.28 To be responsible for payment of the meals from prison operations at the State rate for the inmates on weekends.

## 2 THE DEPARTMENT AGREES:

2.1 To provide a mutually agreed upon number of inmates, subject to availability of said work force, to support the Contractor's agricultural operations at the location(s) identified in Attachment # 1.

2.2 To be responsible for feeding inmates except on weekends when NatureSweet USA, LLC. will pay the contracted cost per meal from prison operations at the State rate.

2.3 To provide all clothing, except special protective clothing and/or equipment.

2.4 To designate an institutional contact person(s) at the institution identified herein, who shall function as a liaison between the institution, ACI and the Contractor in developing and coordinating work schedules, assignments, hours and transportation. To advise ACI of the name and telephone number of the institutional contact person.

2.4.1 If such circumstances arise that will impact the availability of inmate labor under this Contract, the institution's contact person shall immediately notify ACI and the Contractor.

2.4.2 The institution shall ensure that ACI is provided with a copy of all documentation relating to the incident and is advised as to when the work program will likely be able to resume. ACI will keep the Contractor informed, as appropriate.

2.5 That prior to the initiation of this work program, the proposed work site(s) shall be inspected relative to security and safety concerns to ensure the work environment satisfies all requirements imposed by the custody level of assigned inmate workers and assigned work responsibilities. If, during the term of this Contract, security or safety concerns should become evident, or

the Contractor wishes to change or alter the work site(s), the procedure described in Paragraph 1.9 of this Contract shall be followed.

- 2.5.1 All communications between the Department and the Contractor, regarding security/safety issues or work site(s) alterations, shall be documented in writing.
- 2.5.2 All written correspondence related to incidents involving security or safety issues shall be reported in accordance with Department written instructions.
- 2.6 That the General Manager, ACI, or designee shall coordinate all administrative process within the Department to obtain security clearances for the Contractor's staff to access institution(s) identified herein.
- 2.7 To ensure that inmate workers assigned to this work program complete and sign the **Inmate Wage Agreement** and the **Inmate Worker Standards of Conduct Agreement**, shown in Attachments #6 and #7.
- 2.8 To remove and replace as soon as possible, any inmate who does not perform to the satisfaction of the Contractor.
- 2.9 To provide transportation of inmate workers to and from selected work site(s) in Department owned vehicles. Inmate workers shall not be transported in privately owned vehicles at any time.
- 2.10 To present training to Contractor's staff, who will be involved in supervising or interacting with inmate workers. This training shall be given **prior** to initiating the work activities described in this Contract and annually thereafter.
- 2.11 To provide CO / Industry Program Specialist (IPS) supervision which shall provide security supervision of inmate workers each work day, in accordance with Department Order 903, Inmate Work Activities. Security supervision means the CO/IPS(s) shall remain with assigned inmates for the duration of the workday/shift to ensure the inmates are supervised and accountability is maintained. The assigned CO/IPS(s) shall follow Department notification procedures if:
  - 2.11.1 An inmate fails to remain at the work site; and/or,
  - 2.11.2 An inmate has an accident or becomes seriously ill at the work site; and/or,
  - 2.11.3 As may otherwise be required.
- 2.12 To perform required background checks of Contractor staff involved in supervising or interacting with inmate workers and provide written results to the General Manager, ACI.
  - 2.12.1 Prior to initiation of this Contract, the Department shall complete the screening process of Contractor staff referenced above.

- 2.12.2 Subsequent to Contract initiation, should the Contractor's supervisor(s) change, the Contractor shall notify ACI at least two (2) work days **prior** to the impending change to permit completion of the Department's approval process.
- 2.12.3 If prior notice is not possible, the institution may withhold the inmate work crew of that supervisor until the necessary approval process is completed.
- 2.13 To ensure that any inmate(s) who drives the Contractor's off-road mobile equipment as an assigned work duty is in compliance with Department written instructions, as shown in Attachment #8, governing the use of inmate drivers.
- 2.14 To invoice the Contractor for payments due, in accordance with Contract terms, ten (10) work days after receipt of the **Inmate Payroll Summary and Daily Time Sheet(s)**. Invoices shall consist of **Contract Service Costs** as identified in Attachment #5.
- 2.15 That invoices shall be sent to the Contractor at the following address:
- NatureSweet USA, LLC.  
Attention: Accounts Payable  
26050 Eurofresh Avenue  
Wilcox, AZ 856435
- 2.16 That the General Manager, ACI or designee, shall ensure, when additional Contractor's operations are established at appropriate prison institutions, that each respective Warden shall be provided a copy of the Contract and any amendments.
- 2.17 That the General Manager, ACI or designee, shall keep the Contractor fully informed of all Department written instructions and activities that have bearing upon the Contractor fulfilling assigned obligations under this Contract, including all security requirements relative to the provision of contracted services.

**3 SPECIAL TERMS AND CONDITIONS:**

- 3.1 Upon execution and award the General Manager of ACI shall provide a letter of **Authorization to Proceed** to the Contractor with copies to the Institution and Procurement Services.
- 3.2 Term of Contract The term of any resultant contract should commence when all authorized signatures are affixed and all stated conditions have been met, and shall continue for a period of five (5) years thereafter, unless terminated, canceled or extended, as otherwise provided herein.
- 3.3 Contract Extension By mutual written agreement, any resultant contract may be extended for supplemental periods of five (5) years or portions thereof, up to a maximum of ten (10) years by contract amendment only.
- 3.4 This Contract may be terminated, without cause, by either party by provision of prior written notice to the other. Such **Notice of Termination** shall be effective thirty (30) calendar days after mailing by certified mail, return receipt requested, to the other party.
- 3.5 Non-Availability of Funds In accordance with ARS §35-154, every payment obligation of the State under this Contract is conditioned upon the availability of funds appropriated or allocated for the payment of such obligation. If funds are not allocated and available for the continuance of this Contract, this Contract may be terminated by the State at the end of the period for which funds are available. No liability shall accrue to the State in the event this provision is exercised, and the State shall not be obligated or liable for any future payments or for any damages as a result of termination under this paragraph.
- 3.6 Conflict of Interest In accordance with A.R.S. §38-511, the state, its political subdivisions or any department or agency of either, may cancel this contract within three years after Contract execution, without penalty or further obligation, made by the State, its political subdivisions, or any of the departments or agencies of either if any person significantly involved initiating, negotiating, securing, drafting or creating the Contract on behalf of the State, its political subdivision or any of the departments or agencies of either is, at any time while the contract or any extension of the contract is in effect, an employee or agent of any other party of the contract in any capacity or a consultant to any other party of the contract with respect to the subject matter of the contract. A cancellation made pursuant to this provision shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.
- 3.7 The Department reserves the right to terminate the Contract for default in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, including acquisition and maintenance of all required insurance policies, bonds, licenses and permits. The Department shall provide written notice of the termination and the reasons for it to the Contractor.

- 3.8 Upon termination of this Contract, as provided herein, all remaining monetary obligations and removal of the Contractor's property, up to the termination/expiration date, shall be satisfied as follows:
- 3.8.1 The Contractor shall pay ACI for services rendered to the date of termination. ACI shall submit all requests for payment within thirty (30) calendar days after the date of termination of this Contract. All outstanding payments shall be made by the Contractor within ten (10) work days after request for payment, sent certified mail, return receipt requested, is received by the Contractor, in the format and to the location specified herein.
- 3.8.2 Payments made by the Contractor to ACI shall be in agreement with ACI's records. Should a discrepancy in amount of payment occur and remain unresolved after accomplishing the procedure identified herein, ACI may request an audit of the Contractor's financial records. The Contract shall remain in effect until the discrepancy is resolved; however, services to the Contractor shall end in accordance with the **Notice of Termination**.
- 3.9 The General Manager, ACI, or designee, through Procurement Services shall be responsible for coordinating all actions stipulated above in the event an institution is removed from participation in this work program.
- 3.10 If a discrepancy in payment or payment records is identified by either party to this Contract, the party discovering the discrepancy shall notify the other in writing within ten (10) work days after discovery. Both parties shall resolve the discrepancy by comparison and reconciliation of records.
- 3.11 Both parties recognize that respective and mutual obligations of the parties pertaining to start-up, operation and costs applicable to the subject inmate work Contract shall apply to each new operation established at other institutions as authorized herein.
- 3.12 Proper communication is essential to the success of the work program. The Contractor shall address all programmatic issues with ACI. Only immediate security/safety concerns shall be addressed to institution officials without first coordinating through ACI.
- 3.13 Changes to the Contract shall be handled by formal amendment through Procurement Services.
- 3.14 Arbitration In accordance with ARS §12-1518, the parties to this Contract agree to resolve all disputes arising out of or relating to this Contract through arbitration, after exhausting applicable administrative review except as may be required by other applicable statutes.
- 3.15 Applicable Law In accordance with A.R.S. §41-2501, and A.A.C. R2-7-101, et seq, this Contract shall be governed and interpreted by the laws of the State of Arizona, including the Arizona Procurement Code and the administrative rules promulgated there under (A.A.C. R2-7-901, et seq.)

- 3.16 Non-Discrimination The Contractor shall comply with Executive Order 2009-09, which mandates that all persons, regardless of race, color, religion, sex, age, national origin or political affiliation, shall have equal access to employment opportunities, and all other applicable State and Federal employment laws, rules, and regulations, including the Americans with Disabilities Act.
- 3.17 Each party to this Contract shall be responsible for any and all costs, including but not limited to, attorney fees, court costs and other litigation expenses incurred as a result of the errors and omissions of its officers, employees, agents, or assigns arising out of the performance of this Contract.
- 3.18 Audit of Records Under A.R.S. §35-214 and §35-215, the Contractor shall retain and shall contractually require each subcontractor to retain all data, books and other records ("records") relating to this Contract for a period of five years after completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.19 The parties to this Contract agree that the State of Arizona and the Department of Corrections shall be indemnified and held harmless by the Contractor for the vicarious liability of the State as a result of entering into this Contract. The parties further agree that each party to this Contract shall be responsible for consequences arising from its own negligence.
- 3.20 Any and all notices, requests or demands given or made upon the parties hereto, pursuant to or in connection with this Contract, unless otherwise noted, shall be delivered in person or sent by United States Mail, postage prepaid, to the parties at their respective addresses as shown on the signature page of this document.
- 3.21 Third Party Antitrust Violations The Contractor assigns to the State any claims for overcharges resulting from antitrust violations to the extent that such violations concern materials or services supplied by third parties to the Contractor.
- 3.22 Notice Warning Any person who takes into or out of or attempts to take into or out of a correctional facility or the grounds belonging to or adjacent to a correctional facility, any item not specifically authorized by the correctional facility, shall be prosecuted under the provisions of the Arizona Revised Statutes. All persons, including, employee and visitors, entering such confines are subject to routine searches of their persons, vehicles, property and packages.

Authority A.R.S. §13-2501:  
A.R.S. §13-2505:  
ADC Department Order 708

- 3.23 Unlawful Sexual Conduct

- 3.23.1 A person – who is employed by the State Department of Corrections or the Department of Juvenile Corrections; is employed by a private prison facility or a city or county jail; Contracts to provide services with the State Department of Corrections, the Department of Juvenile Corrections, a private prison facility or a city or county jail; is an official visitor, volunteer or agency representative of the State Department of Corrections, Department of Juvenile Corrections, a private prison facility or a city or county jail – commits unlawful sexual conduct by intentionally or knowingly engaging in any act of a sexual nature with an offender who is in the custody of the State Department of Corrections, the Department of Juvenile Corrections, a private prison facility or a city or county jail or with an offender who is under the supervision of either Department or a city or county.
- 3.23.2 This section does not apply to a person who is employed by the State Department of Corrections, a private prison facility or a city or county jail or who Contracts to provide services with the State Department of Corrections, a private prison facility or a city or county jail or an offender who is on release status if the person was lawfully married to the prisoner or offender on release status before the prisoner or offender was sentenced to the State Department of Corrections or was incarcerated in a city or county jail.
- 3.23.3 Unlawful sexual conduct with an offender who is under fifteen years of age is a class 2 felony. Unlawful sexual conduct with an offender who is between fifteen and seventeen years of age is a class 3 felony. All other unlawful sexual conduct is a class 5 felony.
- 3.23.4 Unlawful sexual conduct; correctional facilities; classification; Definition A.R.S. §13-1419.
- 3.24 Federal Prison Rape Elimination Act 2003
- 3.24.1 The Contractor shall comply with the Federal Prison Rape Elimination Act of 2003.
- 3.25 Contraband Contraband means any dangerous drug, narcotic drug, intoxicating liquor of any kind, deadly weapon, dangerous instrument, explosive or any other article whose use of or possession would endanger the safety, security or preservation of order in a correctional facility or any person therein. (Any other article includes any substance which could cause abnormal behavior, i.e. marijuana, nonprescription medication, etc.)

Promoting prison contraband A.R.S. §13-2505:

A person, not otherwise authorized by law, commits promoting prison contraband:

- By knowingly taking contraband into a correctional facility or the grounds of such a facility; or
- By knowingly conveying contraband to any persons confined in a correctional facility; or
- By knowingly making, obtaining, or possessing contraband in a correctional facility.

Promoting Prison Contraband is a Class 5 felony.

Authority      A.R.S. §13-2501  
                    A.R.S. §13-2505  
                    ADC Department Order 708

- 3.26      Offshore Performance of Work Prohibited Due to security and identity protection concerns, direct services under this contract shall be performed within the borders of the United States. Any services that are described in the specifications or scope of work that directly serve the State of Arizona or its clients and may involve access to secure or sensitive data or personal client data or development or modification of software for the State shall be performed within the borders of the United States. Unless specifically stated otherwise in the specifications, this definition does not apply to indirect or "overhead" services, redundant back-up services or services that are incidental to the performance of the contract. This provision applies to work performed by subcontractors at all tiers.
- 3.27      Electronic and Information Technology Unless specifically authorized in the Contract, any electronic or information technology offered to the State of Arizona under this Contract shall comply with A.R.S. §41-2531 and §41-2532 and Section 508 of the Rehabilitation Act of 1973, which requires that employees and members of the public shall have access to and use of information technology that is comparable to the access and use by employees and members of the public who are not individuals with disabilities.
- 3.28      E-Verify Requirement A.R.S. §41-4401
- 3.28.1      The Contractor warrants compliance with all Federal Immigration laws and regulations relating to employees and warrants its compliance with Section A.R.S. § 23-214, Subsection A.
- 3.28.2      A breach of a warranty regarding compliance with immigration laws and regulations shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.
- 3.28.3      Failure to comply with a State audit process to randomly verify the employment records of contractors and subcontractors shall be deemed a material breach of the contract and the contractor may be subject to penalties up to and including termination of the contract.

3.28.4 The State Agency retains the legal right to inspect the papers of any employee who works on the contract to ensure that the contractor or subcontractor is complying with the warranty under paragraph provided herein.

3.29 Scrutinized Businesses In accordance with A.R.S. §35-391 and A.R.S. §35-393, Contractor certifies that the Contractor does not have scrutinized business operation in Sudan or Iran.

3.30 MINIMUM INSURANCE REQUIREMENTS

**INDEMNIFICATION CLAUSE:**

Contractor shall indemnify, defend, save and hold harmless the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees (hereinafter referred to as "Indemnitee") from and against any and all claims, actions, liabilities, damages, losses, or expenses (including court costs, attorneys' fees, and costs of claim processing, investigation and litigation) (hereinafter referred to 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 of Arizona, its officers, officials, agents and employees for losses arising from the work performed by the Contractor for the State of Arizona.

*This indemnity shall not apply if the contractor or sub-contractor(s) is/are an agency, board, commission or university of the State of Arizona.*

**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 of Arizona 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, its agents, representatives, employees or subcontractors, and Contractor is free to purchase additional insurance.

A. **MINIMUM SCOPE AND LIMITS OF INSURANCE:** Contractor shall provide coverage with limits of liability not less than those stated below.

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

Policy shall include bodily injury, property damage, personal injury 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
- Blanket Contractual Liability - Written and Oral \$1,000,000
- Fire Legal Liability \$ 50,000
- Each Occurrence \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor"***.
- b. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.

2. **Business Automobile Liability**

Bodily Injury and Property Damage for any owned, hired, and/or non-owned vehicles used in the performance of this Contract.

- Combined Single Limit (CSL) \$1,000,000

- a. The policy shall be endorsed to include the following additional insured language: ***"The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees shall be named as additional insureds with respect to liability arising out of the activities performed by or on behalf of the Contractor, involving automobiles owned, leased, hired or borrowed by the Contractor."*** Such additional insured shall be covered 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.
- b. Policy shall contain a waiver of subrogation endorsement in favor of the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- c. Policy shall contain a severability of interest provision.

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

Workers' Compensation	Statutory
Employers' Liability	
Each Accident	\$ 500,000
Disease - Each Employee	\$ 500,000
Disease - Policy Limit	\$1,000,000

- a. Policy shall contain a waiver of subrogation against the State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees for losses arising from work performed by or on behalf of the Contractor.
- b. This requirement shall not apply to: Separately, EACH contractor or subcontractor exempt under A.R.S. §23-901, AND when such contractor or subcontractor executes the appropriate waiver (Sole Proprietor/Independent Contractor) form.

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

1. The State of Arizona, its departments, agencies, boards, commissions, universities and its officers, officials, agents, and employees wherever additional insured status is required. Such additional insured shall be covered 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 with respect to all other available sources.
3. Coverage provided by the Contractor shall not be limited to the liability assumed under the indemnification provisions of this Contract.

**C. NOTICE OF CANCELLATION:** With the exception of ten (10) day notice of cancellation for non-payment of premium, any changes material to compliance with this contract in the insurance policies above shall require thirty (30) days written notice to the State of Arizona. Such notice shall be sent directly to **State of Arizona Department of Corrections, Procurement Services, 1601 West Jefferson Street, MC55302, Phoenix, Arizona 85007-3002** and shall be sent by certified mail, return receipt requested.

**D. ACCEPTABILITY OF INSURERS:** Insurance is to be placed with duly licensed or approved non-admitted insurers in the State of Arizona with an "A.M. Best" rating of not less than A- VII. The State of Arizona 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 of Arizona with certificates of insurance (ACORD form or equivalent approved by the State of Arizona) 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 endorsements are to be received and approved by the State of Arizona 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 **(Arizona Department of Corrections, Procurement Services, 1601 West Jefferson Street, MC55302, Phoenix, Arizona 85007)**. The State of Arizona project/contract number and project description shall be noted on the certificate of insurance. The State of Arizona reserves the right to require

complete, certified copies of all insurance policies required by this Contract at any time. **DO NOT SEND CERTIFICATES OF INSURANCE TO THE STATE OF ARIZONA'S RISK MANAGEMENT SECTION.**

- F. **SUBCONTRACTORS:** Contractors' certificate(s) shall include all subcontractors as insureds under its policies or Contractor shall furnish to the State of Arizona 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 contracting agency in consultation with the Department of Administration, Risk Management Division. Such action will not require a formal Contract amendment, but may be made by administrative action.
- H. **EXCEPTIONS:** In the event the Contractor or sub-contractor(s) is/are a public entity, then the Insurance Requirements shall not apply. Such public entity shall provide a Certificate of Self-Insurance. If the contractor or sub-contractor(s) is/are a State of Arizona agency, board, commission, or university, none of the above shall apply.

WORK LOCATIONS OWNED AND/OR OPERATED BY  
NatureSweet USA, LLC.

1.	26050 S. Eurofresh Avenue, Willcox, Arizona 85643
2.	650 North Industrial Drive, Snowflake Arizona 85937

ARIZONA STATE PRISON COMPLEXES

1.	ASPC-Safford/Fort Grant Unit, <u>Mailing:</u> 896 S. Cook Road, Safford, AZ 85546 <u>Physical:</u> 15500 S. Fort Grant Rd, Willcox, Arizona 85643
2.	ASPC-Douglas <u>Mailing:</u> PO Drawer 3867, Douglas, Arizona 85608 <u>Physical:</u> 6911 N. BDI Blvd., Douglas, Arizona 85607
3.	ASPC-Florence <u>Mailing:</u> PO Box 629, Florence, Arizona 85132 <u>Physical:</u> 1305 E. Butte Ave, Florence, Arizona 85132
4.	ASPC-Tucson <u>Mailing:</u> PO Box 24400, Tucson, Arizona 85734-4400 <u>Physical:</u> 10000 South Wilmot, Tucson, Arizona 85734
5.	ASPC-Winslow <u>Mailing:</u> 2100 South Highway 87, Winslow, Arizona 86047-9799 <u>Physical:</u> 2100 South Highway 87, Winslow, Arizona 86047-9799

**INMATE WORK PROGRAM UTILIZING ON-SITE CORRECTIONAL OFFICER(S) (CO) /  
INDUSTRY PROGRAM SPECIALIST(S) (IPS)**

- A. The Contractor shall provide training and special protective clothing if work environment necessitates use of specific safety precautions or if inmates must work with, near, or around hazardous materials, e.g., asbestos, explosives, radioactive substances. Provision of training shall be documented in writing for each inmate participant. Special protective clothing may include, but shall not be limited to, shoes, safety glasses, gloves, goggles, protective outerwear, hats, etc.
- B. The Contractor shall provide instruction to all inmate workers regarding necessary safety precautions at the job site. If inmate workers are required to operate special equipment as part of their job duties, appropriate training specific to its use shall be provided and documented.
- C. Contractor's supervisors shall have knowledge and training related to the particular work tasks described in the Contract to ensure that qualified technical supervision and assistance shall be provided to inmate workers as applicable to job requirements.
- D. All equipment, machinery and tools needed to accomplish designated work assignments shall be maintained in good repair and working condition by the Contractor.
- E. The Contractor shall comply with the required standards of the Occupational Safety and Health Act (OSHA) during the term of this Contract relative to safety of the work environment and equipment used by assigned inmate workers.
- F. The confidentiality of information regarding any inmate worker acquired in the course of service pursuant to this Contract shall be maintained in accordance with A.R.S. §31-221, and *no* information shall be released without prior written authorization from a representative of the Department.
- G. The Contractor's personnel shall be instructed that it is unlawful for anyone to give, take or in any manner barter with inmates, i.e., the supplying of any goods, including food and soft drinks or monies, constitutes a felony for which they can be prosecuted. Inmates are not permitted to work where there are alcoholic beverages or illegal drugs. The Contractor's personnel shall not handle any mail, notes, packages, or verbal messages for assigned inmates. No inmate shall be permitted to make or receive telephone calls unless the call is made to or received from the prison facility in which the inmate is incarcerated.
- H. An authorized representative of the Department shall be permitted to visit or telephone assigned inmates at the prescribed place of work, or to otherwise communicate with the Contractor to discuss each inmate's work performance, work attendance and general behavior.
- I. No inmate shall be placed in a supervisory capacity over any other inmate.
- J. The Contractor shall provide immediate notification to the on site CO/IPS of the following:
  - 1. Unsatisfactory work or malingering of inmates. If requested, the Contractor shall furnish a written account of such unsatisfactory performance.

2. The discovery or suspicion of any intoxicant or unprescribed drug in the possession of any inmate worker.
- 
- K. **The visiting of an inmate by any unauthorized person shall not be permitted.** If any person is found visiting with an inmate, his or her name and description shall be given to Department authorities. If it is not possible or feasible to obtain names, other identification such as automobile make, description and license number shall be obtained when possible.
  - L. Any allegations of non-compliance with Department written instructions, or other Contractor misconduct, shall be subject to investigation by the Department.

ARIZONA CORRECTIONAL INDUSTRIES

CONTRACT SERVICE COSTS

Contract Service Costs are comprised of the components identified in subparagraphs 1 through 5 below. Costs will be re-evaluated and adjusted on an annual basis, as necessary.

1. **INMATE WAGES:** INMATE WAGES: Inmates will receive compensation, as an ACI inmate worker, of at the following rates: For inmates assigned as Pickers the initial wage rate will be \$2.00 per hour. Beginning with the first day of the pay period following the 90th calendar day from the initial date of hire, inmates shall be paid \$2.25 per hour. Beginning the first day of the pay period following the 180th calendar day from the initial day of hire, inmates shall be paid \$2.50 per hour. Beginning with the first day of the pay period following the 270th day calendar day from the initial date of hire, inmates shall be paid \$2.75 per hour. Beginning with the first day of the pay period following the 365th calendar day from the initial date of hire, inmates shall be paid \$3.00 per hour. Inmate workers will not perform more than 40 hours of work per pay-week. Inmates assigned at NatureSweet USA, LLC. who have successfully met the criteria through evaluations are eligible to earn harvesting, leafing, clean out, maintenance and blossoming pay. This will be billed and paid separately by NatureSweet USA, LLC. Inmates assigned as Bobbin Operators or Labelers will be paid at the rate of \$2.00 per hour, and not be eligible for the additional pay.
2. **COSTS OF CORRECTIONAL OFFICERS/ INDUSTRY PROGRAM SPECIALISTS (IPS):** The costs of Correctional Officer (CO) / Industry Program Specialist (IPS) supervision shall be based on the actual hours worked supervising inmates, including the travel time to and from the work site. In addition, one (1) hour per shift, for each CO/IPS, shall be added to the CO/IPS hours worked, to account for time spent on the egress and ingress of the inmates at the institution. The hourly cost of each CO/IPS shall be \$38.18 per hour.
3. **ACI MANAGEMENT FEE:** The ACI Management Fee shall be calculated and invoiced for each pay period at the rate of eleven percent (11%) of the sum of gross inmate wages and the cost of CO/IPS supervision.
4. **TRANSPORTATION:** Transportation, if furnished by the Department, shall be invoiced at the rate of \$1.00 per mile.
5. **MINIMUM WAGE SURCHARGE:** The minimum wage surcharge is only applied as an additional cost if it is determined, after calculating all costs\* for a given pay period, that the net effective hourly cost during the period was less than the Federal minimum wage. This determination is accomplished by dividing the sum of costs for a specific pay period, including inmate wages, CO/IPS and ACI Management Fee, by the total number of inmate hours worked during the pay period. If calculated to be less than the Federal minimum wage or AZ State Minimum Wage – whichever is higher, a surcharge will be added to the invoice bringing the net effective hourly cost up to the Federal minimum wage or AZ State minimum wage – whichever is higher. (\*Inmate Wages, CO/IPS Costs and ACI Management fee.)

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**STANDARD WORK PROVISION  
INMATE WORK PROGRAMS**

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**Attachment #3  
ADC Contract No. 130071DC**

Costs identified above shall be made payable to Arizona Correctional Industries. ACI shall disburse payments as appropriate. The Contractor shall remit payments to ACI at the address shown below within ten (10) work days after receipt of invoice.

Arizona Correctional Industries  
Attention: Accounts Receivable  
P.O. Box 34420  
Phoenix, Arizona 85067-4420

### MECHANISM FOR GUARANTEE OF PAYMENT

Prior to initiating any operations which may result in a financial liability to the Department and/or ACI, the Contractor shall accomplish one of the following, to guarantee payment to ACI, for work performed by inmates. The choice of option shall be mutually agreed upon by both parties.

- Option 1: The Contractor shall purchase a Payment Bond which will guarantee payment to ACI for work performed by inmates. This bond will meet the following conditions:
- A. Payment Bond shall be issued by an insurance company licensed by the Arizona State Insurance Department to conduct business in the State of Arizona.
  - B. Payment Bond shall guarantee payment of amounts computed using cost components identified in Attachment #3, **Contract Service Costs**; equal to an estimate of thirty (30) days of inmate labor expense, including CO/IPS supervision and ACI Management Fee.
  - C. The Payment Bond may be renewable annually, for both the initial term and the renewal terms, provided that neither non-renewal or cancellation by the Surety, nor failure, nor inability of the Contractor to file a replacement bond shall constitute a loss or claim recoverable under this bond.
- Option 2: The Contractor shall pre-pay to ACI, an amount equal to an estimate of thirty (30) days of inmate labor expense, including CO/IPS supervision and ACI Management Fee. This amount shall be held by ACI, for a period determined by ACI, to guarantee amounts invoiced. Should the Contractor subsequently choose to exercise another option, the amount pre-paid to ACI shall be refunded upon receipt of the required documents associated with the substituted option.
- Option 3: The Contractor shall establish an extension of credit with a State of Arizona or a federally chartered bank, in the form of a Time Certificate of Deposit, in an amount equal to an estimate of thirty (30) days of inmate labor expense, including CO/IPS supervision and ACI Management Fee. This amount shall be net of any penalties for early withdrawal. ACI will be provided with a letter of confirmation, from such bank, verifying that the Contractor has authorized ACI to draw upon the Time Certificate of Deposit in the event of non-payment of amounts due within thirty (30) calendar days of invoice date. The letter shall also state that ACI must provide written approval, to the bank, before any monies may be withdrawn by the Contractor. The Contractor retains the authority to extend the specified period of the Time Certificate of Deposit.
- Option 4: The Contractor shall provide an irrevocable Letter of Credit drawn on a federally chartered bank in favor of the Department (ACI) in order to secure payment to the Department (ACI) for inmate labor expenses. Such Letter of Credit shall be in an amount equal to thirty (30) days of inmate labor expense, including CO/IPS supervision and ACI Management Fee. The parties shall review the appropriate amount of the Letter of Credit annually, each April 1st. If the amount of the Letter of Credit needs to be adjusted, the Contractor shall secure the amended letter and provide it to ACI within thirty (30) days of the annual contract anniversary.

**STANDARD WORK PROVISION  
INMATE WORK PROGRAMS**

**Attachment #5  
ADC Contract No. 130071DC**

ARIZONA CORRECTIONAL INDUSTRIES  
DAILY TIME SHEET Page 1 of 2

NatureSweet USA, LLC.

Location: 2650 Eurofresh Avenue Wilcox, AZ 85643

DATE: \_\_\_\_\_

CO/IPS Name & EIN # (PRINT)	Time	Time	Total	Adjustments	Total	Signature
	Arrived	Departed	Hours		Adjusted Hours	

	Inmate Name	ADC Number	Time Arrived	Time Departed	Total Hours	Lunch/ Other Adj	Total Adjusted Hours	Signature
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								

APPROVAL SIGNATURES:

\_\_\_\_\_  
Contractor Staff Supervisor                      Date

\_\_\_\_\_  
Correctional Officer/IPS                      Date

The completed form shall be submitted to:  
Arizona Correctional Industries  
Attention: Inmate Payroll  
P.O. Box 34420  
Phoenix, AZ 85067-4420

Copy to Institution Providing Labor

**STANDARD WORK PROVISION  
INMATE WORK PROGRAMS**

**Attachment #5  
ADC Contract No. 130071DC**

ARIZONA CORRECTIONAL INDUSTRIES  
DAILY TIME SHEET Page 2 of 2

DATE: \_\_\_\_\_

NatureSweet USA, LLC.

Location: 2650 Eurofresh Avenue Wilcox, AZ 85643

CO/IPS Name & EIN # (PRINT)	Time	Time	Total	Adjustments	Total	Signature
	Arrived	Departed	Hours		Adjusted Hours	

	Inmate Name	ADC Number	Time Arrived	Time Departed	Total Hours	Lunch/ Other Adj	Total Adjusted Hours	Signature
1								
2								
3								
4								
5								
6								
7								
8								
9								
10								
11								
12								
13								
14								
15								
16								
17								
18								

APPROVAL SIGNATURES:

\_\_\_\_\_  
Contractor Staff Supervisor                      Date

\_\_\_\_\_  
Correctional Officer/IPS    Date

The completed form shall be submitted to:  
Arizona Correctional Industries  
Attention: Inmate Payroll  
P.O. Box 34420  
Phoenix, AZ 85067-4420

Copy to Institution Providing Labor



**STANDARD WORK PROVISION  
INMATE WORK PROGRAMS**

**Attachment #6  
ADC Contract No. 130071DC**



**ARIZONA DEPARTMENT OF CORRECTIONS**

**Inmate Wage Agreement - ACI Public and Private Sector  
Partnership – Non-P.I.E.**

*The ADC Staff Witness shall provide the inmate with a copy of the "Schedule of Deductions from Inmate Monies" from Department Order #905, Inmate Trust Account/Money System.*

- pay I agree that participation as an inmate worker in the Inmate Labor Contract for \_\_\_\_\_  
Is voluntary.
2. I am aware that, while engaged as an inmate worker, my gross wage before deductions will be:
- \$ \_\_\_\_\_ per hour, with an increase to \$ \_\_\_\_\_ per hour upon successful completion of the training program.
- \$ \_\_\_\_\_ per hour.
3. I also understand that, as a condition of my participation in this work program, certain deductions from my wages will be made in accordance with A.R.S.§31-254 and Department Order 905, Inmate Banking/Money System.
4. I have read this Agreement and concur with both my wage as listed above and the deductions as specified by Department Order 905.

*Please print*

Inmate Name <i>(Last, First M.I.)</i>	ADC Number
Inmate's Signature	Date
ADC Staff – Witness's Name <i>(Last, First M.I.) (Please print)</i>	Title
ADC Staff – Witness's Signature	Date

Original – ACI Central  
Attention: Contracts Compliance Officer

Copy – Institutional Records

**INMATE WORK CONTRACT  
ACI/ NatureSweet USA, LLC.**

**INMATE WORKER STANDARDS OF CONDUCT AGREEMENT**

1. Inmate workers assigned to the ACI/ NatureSweet USA, LLC. work program shall not leave the work area.
2. Work schedules shall be adhered to at all times. Inmate workers shall be at their assigned work station and conducting work activities during their scheduled work hours.
3. No personal activities shall be performed at the work site during scheduled work hours.
4. Horseplay, name calling or other disruptive and/or unprofessional behavior will not be tolerated.
5. Inmate workers shall not use abusive language or profanity.
6. Work areas shall be maintained in a clean and orderly fashion at all times.
7. Possession of weapons is strictly prohibited.
8. Equipment and materials are the property of NatureSweet USA, LLC., and shall not be used for personal use or be removed from the work site. This includes products from trash piles or trash containers.
9. Inmate workers must maintain accountability of assigned tools at all times. Failure to maintain accountability may result in removal from the ACI/ NatureSweet USA, LLC. work program.
10. Intentional abuse, misuse or damage to any NatureSweet USA, LLC.'s property, tools, or equipment is prohibited.
11. Confrontational behavior toward any NatureSweet USA, LLC.'s employee or visitor is prohibited.
12. Use of unauthorized controlled substances, at any time, is prohibited.
13. Causing damage or rework through inattention, carelessness or intentional misconduct is prohibited.
14. Use of NatureSweet USA, LLC.'s telephones is prohibited.
15. Sleeping during work hours is prohibited.
16. An inmate charged with an alleged institutional rule violation, and/or placed in administrative investigative status for more than five (5) work days may be suspended from the ACI/ NatureSweet USA, LLC. position, Department Order 903.09, Paragraph 1.7 Disciplinary Process.

**INMATE WORK CONTRACT  
ACI/ NatureSweet USA, LLC.**

**Inmate Worker Standards of Conduct Agreement  
(Continued)**

I understand that my participation as an ACI inmate worker for the ACI/ NatureSweet USA, LLC. work program is a privilege. As an ACI inmate worker, assigned to the ACI/ NatureSweet USA, LLC. work program, I hereby agree to the Standards of Conduct listed above. I acknowledge that my failure to abide by any of the terms and conditions noted above shall be grounds for immediate termination from the work program and referral to the institution for disciplinary action.

_____	_____	_____
Inmate Printed Name	ADC Number	Signature and Date
_____	_____	_____
ADC Witness Printed Name	Title	Signature and Date

Distribution:

**Original**

Arizona Correctional Industries  
Attention: Business Development Unit  
P.O. Box 34420 or M/C 860  
Phoenix, Arizona 85067-4420

**Copy**

Inmate Institutional File  
Inmate Master File

**LETTER OF INSTRUCTION  
REQUEST FOR AUTHORIZATION**

**UTILIZING INMATE WORKERS FOR OPERATION OF OFF-ROAD MOBILE EQUIPMENT**

Inmate Work Contracts between the Department/ACI and the Contractor provide authorization for assigned inmate workers to operate off-road mobile equipment under certain conditions. This Letter of Instruction provides the procedure for obtaining approval to utilize inmate workers on Contractor's off-road mobile equipment.

- 1 The Contractor shall provide written notice to ACI advising of the need to utilize inmate workers to operate specific off-road mobile equipment. The request shall include the following information:
  - 1.1 A complete list describing the type(s) of off-road mobile equipment to be operated;
  - 1.2 Identification of specific training, inmates will receive for each type of off-road mobile equipment; and
  - 1.3 A list of inmates, to include the inmate's Department identification number, for whom approval is being requested. The list **shall** reflect the type(s) of mobile equipment to be operated, specific to each inmate worker.
- 2 ACI shall acknowledge the Contractor's request and, after coordinating with institution officials, notify the Contractor in writing of those inmates approved to be trained to operate off-road mobile equipment. The Contractor **shall not** proceed with training until written notice of authorization is received from the Department.
- 3 Once approval to proceed with training is received, the Contractor shall provide safety and operational training to approved inmates for each type of specified off-road mobile equipment. The manufacturer's supplied training materials and/or materials developed in accordance with Occupational Safety and Health Act (OSHA) guidelines, for each specific type of mobile equipment, should meet the training requirements for each inmate operator. Copies of training materials shall be provided to ACI for record keeping purposes.
- 4 Once training is complete, the Contractor shall furnish ACI with documentary evidence of satisfactory completion of training for each inmate. The documentation shall include the inmate's certification by signature that he/she understands the operation and safety issues of each type of mobile equipment he/she has been trained to operate.
- 5 Following review of training documents provided by the Contractor, the General Manager, ACI and/or designee, shall furnish the Contractor with notification of approval for individual inmates. ACI shall maintain records of training and authorization for all inmate workers as long as they are engaged in this inmate work program.
- 6 The Contractor shall acquire and maintain applicable insurance in compliance with State requirements.