



**Calhoun County Board of Commissioners**  
**Thursday, September 3, 2009, 7:00 p.m.**

**Board of Commissioners Meeting Room**  
**Marshall, Michigan**

**DRAFT**

**LISA GEROW**  
*District 1*

**TERRIS E. TODD**  
*Vice Chairman, District 2*

**JIM HAADSMA**  
*District 3*

**MIKE RAE**  
*Chairman, District 4*

**JULIE CAMP**  
*District 5*

**REBECCA ROCHO**  
*District 6*

**KIRK A. LEE**  
*District 7*

1. **Call to Order/Roll Call**
2. **Invocation by Pastor Miles Fitzpatrick of Emmanuel Covenant Church**
3. **Pledge of Allegiance**
4. **Approval of Agenda**
5. **Approval of Minutes: August 20, 2009**
6. **Citizens' Comments**
7. **Elected/Appointed County Officials' Comments**
8. **Special Order of Business:**
  - A. **Special Tribute to Maggie Green and Cathy Campbell -- *attachment***  
**(Action: Motion to Approve)**
  - B. **National Alcohol and Drug Addiction Recovery Month Proclamation -- *attachment***  
**(Action: Motion to Approve)**
  - C. **Summit Pointe Annual Report by C.E.O. Ervin Brinker**
  - D. **Ardyss International Presentation**

## 9. Consent Agenda

### A. Petitions, Communications, Reports:

- DRAFT**
- (1) Resolutions received from Lake and Lenawee Counties opposing Senate Substitute for House Bill 4436 and urging continuance of the current structure and funding of mental health and substance abuse service coordinating agencies. **(To be received and placed on file, with a copy remitted to Summit Pointe C.E.O. Ervin Brinker)**
  - (2) Resolutions received from Oceana and Schoolcraft Counties supporting House Bills 4785 and 4786 {Expansion of Unemployment Benefits and Acceptance of Federal Stimulus Funds}. **(To be received and placed on file)**
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## 10. Special Committee/Workshop/Board Reports

## 11. Unfinished and Old Business

## 12. Petitions and New Business:

### A. County Administrator/Controller's Report

- (1) Prosecutor's FY 2009-2012 Cooperative Reimbursement Program Grant Agreement -- *attachment*  
**(Action: Motion to Approve)**
- (2) FY 2009-2010 Victim Services Grant Agreement -- *attachment*  
**(Action: Motion to Approve)**
- (3) Office Supplies Inventory System Bid Award -- *attachment*  
**(Action: Motion to Approve)**
- (4) 9-1-1 Dispatch Center Renovation Bid Award -- *attachment*  
**(Action: Motion to Approve)**

## 13. Citizens' Time

## 14. Commissioners' Time

## 15. Claims Payable Listing

## 16. Announcements

## 17. Adjournment

# Resolution

SPECIAL TRIBUTE  
TO

8. A.

MAGGIE GREEN

AND

CATHY CAMPBELL

WHEREAS, the Albion Area Philanthropic Women's "Giving Circle" was created in March 2007, co-founded by Maggie Green and Cathy Campbell; and

WHEREAS, due to the vision of Cathy Campbell and Maggie Green, the Albion Area Philanthropic Women's Giving Circle is especially impressive because it embodies inclusiveness and is popular with women of the entire spectrum of income levels; and

WHEREAS, Albion Area Philanthropic Women has conducted seven quarterly meetings with membership continuing to grow from 61 members at its founding to now 112 women strong; and

WHEREAS, Albion Area Philanthropic Women has distributed \$73,600 to area non-profits in under two years and a total of \$95,300 to date, with funding awarded to the Albion District Library; Johnson's Childcare for new playground equipment; AIM to keep the food bank open; SAFE Place Albion; Ismon House for a barrier free restroom; the Albion Recreation Department for a new 15 passenger van; Vision of Life Action Team for building renovation; Citizens to Beautify Albion; Albion Public Schools; and the Kids 'N' Stuff Museum for sponsoring free monthly family days and new exhibits; and

WHEREAS, due to the vision of Cathy Campbell and Maggie Green, the Albion Area Philanthropic Women's Giving Circle has become a model for other communities seeking guidance on starting such an organization in their community.

NOW, THEREFORE, BE IT RESOLVED, that the Calhoun County Board of Commissioners wish to recognize and honor **MAGGIE GREEN AND CATHY CAMPBELL** for their contributions to the non-profit organizations of Albion through the founding of Albion Area Philanthropic Women and wish them continued success.



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Mike Rae, Chairman  
Calhoun County Board of Commissioners

# Proclamation

8.B.

## NATIONAL ALCOHOL AND DRUG ADDICTION RECOVERY MONTH

WHEREAS, treatment and long-term recovery from substance use disorders provides a renewed outlook on life for the addicted, their families and friends; and

WHEREAS, substance use disorders impact 23.2 million people aged 12 or older in the United States, more than the number of people living with coronary heart disease, cancer, or Alzheimer's disease combined; and

WHEREAS, people who receive treatment for substance use disorders can lead more productive and fulfilling lives; resulting in the reduction of criminal activity and familial degradation; breaking the cycle of substance abuse and creating a safer, healthier community; and

WHEREAS, studies have consistently found that individualized treatment, combined with community support, is essential for people to be successful in their path of recovery; and

WHEREAS, real stories of long-term recovery can inspire others to ask for help and improve their own lives, the lives of their families, as well as the community; and

WHEREAS, education of the community about the nature and treatability of substance use disorders, encouragement and acceptance for those needing and seeking treatment, and overall community support for recovery, are all critical to the improvement of the recovering individual's life, as well as the quality of life for the entire community; and

WHEREAS, in observation of the 20<sup>th</sup> Anniversary of National Alcohol and Drug Addiction Recovery Month (September) the *Celebrate Recovery Committee of the Substance Abuse Council* will host the following events:

- "Get Active and Celebrate Recovery" kick-off event on September 2<sup>nd</sup>.
- The *Celebrate Recovery Team* will participate in the 2009 YMCA Corporate Cup September 10, 11, & 12<sup>th</sup>.
- Will host additional events to encourage, support, and educate the community about the possibility and positivity of recovery through local events and media.

THEREFORE, BE IT RESOLVED, that the Calhoun County Board of Commissioners proclaim September National Alcohol and Drug Addiction Recovery Month in Calhoun County.

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Mike Rae, Chairman  
Calhoun County Board of Commissioners

*September 3, 2009*

## **12.A. (1)**

RESOLVED, that the Calhoun County Board of Commissioners approve the Prosecutor's Office FY 2009-2012 Cooperative Reimbursement Program (IV-D Child Support Enforcement) Grant Agreement CSPA10-13002 between the Michigan Department of Human Services and Calhoun County for the period of October 1, 2009 through September 30, 2012; further, authorize the Board Chairman to execute said Agreement on behalf of Calhoun County.



THE OFFICE OF  
**SUSAN K. MLADENOFF**  
**PROSECUTING ATTORNEY**  
CALHOUN COUNTY

Calhoun County Justice Center  
161 E. Michigan Ave.  
Battle Creek, MI 49014-4066  
Phone: (269) 969-6980  
Fax: (269) 969-6967

EUSEBIO SOLIS  
CHIEF ASSISTANT  
PROSECUTING ATTORNEY

August 19, 2009

To: Calhoun County Board of Commissioner  
From: Susan K. Mladenoff  
Prosecuting Attorney *SKM*

AUG 20 RECD  
2009

Re: Request for Appropriation and Signatures on 2009/2010 Title IV-D Cooperative Reimbursement Contract for the Calhoun County Prosecutor's Office.

Recommended County Commission Action:

The Calhoun County Prosecuting Attorney recommends that the County Board of Commissioners authorize the Appropriation for and the Signing of the 2009/2010 Title IV-D Cooperative Reimbursement Contract for the Calhoun County Prosecutor's Office.

Background:

The Title IV-D Cooperative Reimbursement Contract is used to fund the Cooperative Reimbursement Unit. This Unit is responsible for the establishment of paternity and obtaining order for the payment of child support and confinement expenses.

This Contract is renewed on a yearly basis. The Contracts are generally uniform for all Counties in Michigan.

Budgetary/Staffing Impact:

The Cooperative Reimbursement Grant is funded\*\* Sixty Six Percent (66%) by the Department of Human Services and Thirty Four Percent (34%) by a match from Calhoun County. The Grant amount for this year is \$559,996.00. Calhoun County's match would be \$190,399.

There are currently seven (7) employees employed pursuant to this grant. This includes: one (1) Assistant Prosecuting Attorney, one (1) investigator, five (5) paralegals.

Alternatives:

The County could refuse the grant.

Summary:

The 2009/2010 Title IV-D Cooperative Reimbursement Grant would allow the Calhoun County Prosecuting Attorney to continue to serve the citizens of Calhoun County by establishing paternity and obtaining orders for the payment of child support and confinement expenses, thus, removing children from public assistance and repaying the State for expenses incurred.

**Michigan Department of Human Services – Division of Contracts and Rate Setting  
Child Support – Prosecuting Attorney Contract (CM-F164) – Actual Cost  
Cover Sheet**

Contractor Name: <b>Cal houn Prosecuting Attorney</b>		Contract #: <b>CSPA10- 13002</b>
Total Contract Amount: <b>\$ 369, 597. 00</b>	Net Budget Amount: <b>\$ 559, 996. 00</b>	
Total Contract Amount --(spelled out) <b>t hree hundred sixty-nine thousand, five hundred ninety-seven</b>		
CS-138#: <b>NJVENDOR</b>	Commodity Code: <b>FTR- 1002</b>	
County Name(s): <b>Cal houn</b>		
Fed. I.D. #: <b>38- 6004358</b>	Legal Mail Code: <b>E00</b>	Payment Mail Code: <b>E00</b>
Contractor Address: Address: <b>Justice Complex 161 East Michigan Ave</b>		City/State/Zip: <b>Battle Creek, MI 49014</b>
Contractor FY begin date (day/month): <b>1</b> day of month <b>Jan</b> month of year		
Org. Type: <input type="checkbox"/> Private, Non-profit <input type="checkbox"/> Private, Proprietary <input checked="" type="checkbox"/> Public <input type="checkbox"/> University		
Audit Status: <input type="checkbox"/> Vendor <input type="checkbox"/> No Federal Funds <input checked="" type="checkbox"/> Sub-recipient If checked, record CFDA numbers(s) below <b>93. 563</b>		Faith Based: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Contractor is a State employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Contractor is a retired State employee: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Award Status: <input type="checkbox"/> Bid	<input checked="" type="checkbox"/> Sole Source	<input type="checkbox"/> Fair Market Rate
Payment Type: <input checked="" type="checkbox"/> Actual Cost <input type="checkbox"/> Unit Rate <input type="checkbox"/> Fair Market Rate		
Index Code: <b>50700</b>	PCA and percentage: <b>83202 100%</b>	AOC: <b>6155</b>
Contract Administrator Name: <b>Kathy Swart out</b>		Phone Number: <b>517- 5056</b>

The contract administrator by submission of this document assures no changes have been made to the contract General Provisions as stated in Article III of standard DHS contract format.

Contract No: CSPA10-13002  
Total Contract Amount: \$369,597.00  
Net Budget Amount: \$559,996.00  
County: Calhoun  
Method of Payment: Actual Cost

**AGREEMENT**

between

Michigan Department of Human Services & The County of Calhoun (hereinafter referred to as "DHS"),  
235 South Grand Avenue  
P.O. Box 30037  
Lansing, Michigan 48909

referred to as the "Contractor")  
Justice Complex 161 East Michigan  
Ave  
Battle Creek, MI 49014

This Agreement, effective October 1, 2009 through September 30, 2012 is by and between the **DHS**, the **County of Calhoun**, a public organization and the **Prosecuting Attorney** (together, referred to as the "Contractor"). This Agreement shall be amended each fiscal year period beginning October 1, 2010 and through September 30, 2012, to authorize funding for subsequent fiscal year periods covered by this Agreement.

I. CONTRACTOR DUTIES AND RESPONSIBILITIES

The Contractor shall establish paternity and obtain child support court orders or enforce child support orders for all actions over which it has jurisdiction. The Contractor shall comply with all requirements of the following (hereinafter referred to as ("Title IV-Standards") that relate to establishing paternity or obtaining and enforcing support orders (and any amendments to the following): U.S. code Title 42, Chapter 7, subchapter IV, Part D, all applicable Federal regulations at 45 CFR Part 300 to 399, 45 CFR Part 92, 45 CFR Part 95, statutes court rules, the Prosecuting Attorney Handbook, the Prosecuting Attorney Letters, the Michigan Department of Human Services Office of Child Support (hereinafter referred to as OCS) IV-D combined Manual and the Michigan IV-D Action Transmittals and any DHS issued policies and procedures. The Contractor agrees to use the automated Michigan Child Support Enforcement System (hereinafter referred to as MiCSSES System).

A. Establishment Services

The Contractor shall:

1. Make IV-D services available to all eligible persons.

2. Make all reasonable efforts to establish paternity and secure orders as needed for the establishment of court ordered child support for children born in or out of wedlock, as provided by law.
3. Initiate locating action when necessary.
4. Allow DHS, and its identified agents, access to all IV-D case records for the purpose of annual Title IV-D Self-Assessment case readings, including but not limited to:
  - a. Central system case records;
  - b. Paper case records; and
  - c. MiCSES System and PAAM IV-D electronic case records.

**B. Report**

The Contractor shall prepare, complete and submit the following report (in the cycle indicated) to the unit named.

1. **Form:** DHS-286 - Title IV-D Cooperative Reimbursement Expenditure Report, including the following supporting documentation;  
Personal Expense Report.  
**Cycle:** Due by the thirtieth (30<sup>th</sup>) day after month of service  
**To:** Michigan Department of Human Services  
Contract Manager, Office of Child Support
2. **Form:** OCS Tax Data Confidentiality Questionnaire  
**Cycle:** Due annually by April 30<sup>th</sup>  
**To:** Michigan Department of Human Services  
Contract Manager, Office of Child Support
3. **Form:** Criminal Background Check Plan  
**Cycle:** Due annually by July 30  
**To:** Michigan Department of Human Services  
Contract Manager, Office of Child Support

**C. Client Grievance System**

The Contractor shall have a written office grievance system which provides the opportunity to seek relief for those who believe they have not received services required by the IV-D program, or believe the services they have received are not in accordance with IV-D regulations. Information about the grievance system shall be provided to clients or DHS upon request.

D. Billing Method

The Contractor, as a sub-recipient of Federal Financial Assistance, agrees to abide by applicable provisions of the Cost Principles for State and Local Governments issued by the Federal Office of Management and Budget (OMB) Circular No. A-87. This Circular provides cost principles to be used in determining the availability of Federal Financial Assistance for Child Support activities under U. S. Code Title 42, Chapter 7, Subchapter IV, Part D.

1. The Actual Cost Reimbursement Method shall be used to claim reimbursement under this Agreement. The Contractor certifies that the Title IV-D Program Budget Summary for the current fiscal year period that is attached and made part of this Agreement has been prepared in accordance with the Budget Completion Instructions provided by DHS. Title IV-D Program Budget Summaries subsequently submitted and approved for each fiscal year covered under this Agreement shall be attached and made part of this Agreement. The Title-IV-D Program Budget Summary for the current fiscal year details the amount and object of expenditures for which the Contractor shall use funds paid under this Agreement. The Contractor is authorized to expend funds only for those resources indicated in the Title IV-D Program Budget Summary for the current fiscal year that are allowable, properly allocated and reasonable as defined in the Budget Completion Instructions. Only actual costs may be billed to DHS. The Contractor shall follow and adhere to the Budget.
  - a. However, expenditures up to a five (5)% increase or \$3,000, whichever is less, above the direct cost line item budget categories are permissible provided the sum of all expenditures does not exceed the total amount of the Agreement.
2. The Contractor must submit a budget revision request and obtain prior written approval from DHS to increase any line item by more than five (5)% or \$3,000, whichever is less, or decrease line items in the budget. The increase or decrease of line items in the budget must stay within the originally approved fiscal year budget total. Budget revision requests must be submitted in accordance with Michigan IV-D Action Transmittal 2008-027 or its successors.
  - a. The written request for DHS' approval must contain sufficient information to allow DHS to identify which budget line items are to be increased, which line items are to be decreased; the reason for the change and the programmatic impact of the budget changes. If the budget changes stay within the originally approved budget total, the request shall be submitted as a line item transfer. A request that

increases the originally approved budget shall be submitted as an amendment as described under Section II.F. of this Agreement.

- b. A line item transfer will not be accepted earlier than six (6) months after the Agreement effective date. The due-date to submit a line item transfer request and/or amendment to DHS is ninety (90) days prior to the end date of the Agreement.
  - c. The DHS Office of Child Support is authorized to approve line item transfers. DHS shall provide an initial response to line item transfer requests within thirty (30) days of receipt.
3. Actual costs include the cost of fringe benefits provided for contract employees billed under this Agreement. The fringe benefits billed must be proportional to the time the employees are engaged in IV-D reimbursable activities. Further, those fringe benefits shall be no greater than fringe benefits provided to similar Non-IV-D employees. Fringe benefits may include longevity, vacation, personal leave, holiday, sick leave, medical, dental, optical, life insurance, disability insurance, retirement, social security, workers compensation, and unemployment insurance.
  4. If any staff funded in part or whole by IV-D funds do not work full-time on IV-D matters, detailed time-records in the form of personal activity reports (PAR) for such employees are required to document the amount of time spent on reimbursable activities.

E. Billing Procedure

The Contractor shall submit monthly to DHS, a DHS 286 "Title IV-D Cooperative Reimbursement Expenditure Report" detailing program-related expenditures. The DHS-286 shall be submitted to DHS within thirty (30) days from the end of the monthly billing period. For the month of September, DHS-286 reports shall be submitted as reasonably directed by DHS to meet fiscal year-end closing deadlines. At its discretion, DHS may not make payment to the Contractor for billings submitted more than sixty (60) days after the end of a billing period.

F. Sub-recipient Relationship

This Agreement constitutes a sub-recipient relationship with DHS. The Contractor is required to comply with all Federal regulations that relate to the accounting and auditing of the Federal award used to fund this Agreement. This includes, but is not limited to, compliance with OMB Circular A-133.

Regulations applicable to funding sources are included in the Catalog of Federal Domestic Assistance (CFDA). The Federal Program Title, CFDA number and Federal Financial Participation (FFP) rate DHS will use for this agreement are:

Federal Program Title	CFDA#	FFP%
Title IV-D DHS-286 Reimbursement	93.563	100%
Title IV-D Incentive Payment	93.563	100%

Note: The Federal Program "TITLE IV-D, DHS-286 Reimbursement" refers to the DHS reimbursement of amounts billed to DHS on the DHS-286. DHS reimburses 66% of the amounts billed. The entire amount reimbursed is federal funding, therefore, the above table uses 100%. The Federal Program "TITLE IV-D, Incentive Payment" is 100% federal funding.

DHS may change the CFDA number and will implement any changes made by the Federal Government to the CFDA number and/or FFP rate during the course of this Agreement. CFDA numbers and FFP rates for this Agreement shall be posted quarterly on the DHS website. The Contractor is required to check the website to obtain up to date information regarding the CFDA numbers.

The Contractor shall consult the following website address to obtain CFDA numbers, payments, and other audit information:

[http://www.michigan.gov/dhs/0,16\\_07,7-124-5455\\_719\\_9\\_8380---,00.html](http://www.michigan.gov/dhs/0,16_07,7-124-5455_719_9_8380---,00.html)

DHS agrees to participate in audit costs related to the audit as described in other sections of this Agreement.

**G. Reporting Requirements**

The Contractor must immediately report to the DHS Office of Monitoring and Internal Control accounting irregularities including noncompliance with Agreement provisions.

If the Contractor is required per OMB Circular A-133 to have a Single Audit performed, the Contractor must submit the Reporting Package and an Audit Transmittal Letter to the DHS Office of Monitoring and Internal Control at the address that follows and in accordance with the time frame established in the Circular.

Reporting Package includes:

1. Financial statements and schedule of expenditures of Federal awards
2. Summary schedule of prior audit findings
3. Auditor's report(s)

4. Corrective Action Plan if applicable

H. Audit Transmittal Letter

The Contractor is responsible to identify in the Audit Transmittal Letter all organizations it operates that administer DHS sub-recipient programs and the different names the Contractor may use to enter into an Agreement with DHS. The Contractor is responsible for proper completion and submission of the Audit Transmittal Letter. This letter, to be accurately processed by DHS, must include the following information:

1. The Contractor's name as reported in the DHS Agreement(s).
2. The Contractor's Federal Identification Number(s) as reported in the DHS Agreement(s).
3. The Contractor's fiscal year end.
4. Identify other name(s) and other Federal Identification Number(s) used by the Contractor.

If a Single Audit is not required per OMB Circular A-133, the Contractor must still submit an Audit Transmittal Letter stating why a Single Audit was not required and the Contractor's fiscal year to which the letter pertains. The Audit Transmittal Letter should include items stated in the section, "Audit Transmittal Letter," described above. The letter may be mailed to the address below or faxed to (517) 373-8771.

Mailing address for all information:

Michigan Department of Human Services  
Office of Monitoring and Internal Control  
Grand Tower, Suite 1112  
P.O. Box 30037  
Lansing, MI 48909  
Attention: William Addison, CPA

If the Contractor is a sub-recipient of DHS, but asserts it is not required to have a Single Audit performed, the Contractor shall submit an Audit Transmittal Letter to the DHS Office of Monitoring and Internal Control stating the reason the Single Audit is not required. Failure by the Contractor to submit the Audit Transmittal Letter shall result in invoking the same sanctions on the Contractor as failure to submit the Single Audit Report.

I. Audit Cost

Cost of the Single Audit can only be charged to this Agreement if there is a provision within this Agreement that allows payment for the Single Audit cost. No

audit cost may be charged to this Agreement if the Contractor is not required to have a Single Audit.

No audit costs may be charged to DHS when audits required by this Agreement have not been performed or have not been performed in accordance with OMB Circular A-133 requirements. Late submission (as defined in Circular A-133) of the Single Audit Report and/or Audit Transmittal Letter is considered noncompliance with this section and may be grounds to impose sanctions.

J. Sanctions

DHS may impose sanctions if the Contractor fails to adhere to any of the audit requirements in this Agreement including the Audit Transmittal Letter in this Agreement. In cases of continued inability or unwillingness on the part of the Contractor to comply with audit requirements, DHS may impose sanctions such as:

1. Withholding a percentage of Federal awards until the audit is completed satisfactorily.
2. Withholding or disallowing overhead costs.
3. Suspending Federal awards until the audit is conducted.
4. Terminating the Federal award.
5. Recouping all Federal payments made to the Contractor under this or any other agreements between DHS and The Contractor.

K. Fiscal Requirements

The Contractor shall install and maintain an accounting system to identify and support all expenditures billed to DHS under this Agreement. The accounting system must record all income and expenses for the Contractor's total program of which services provided under this Agreement are a part. The accounting system, as a minimum, shall consist of a chart of accounts, cash receipts journal, cash disbursements journal, and general ledger. All expenditures and income must be supported by vouchers and receipts that detail the reason for the transaction.

The Contractor shall maintain, within the accounting system, salary and fringe benefits accounts that break out positions, hospitalization, retirement, workers' compensation and other fringe benefits. The Contractor shall establish and maintain payroll records for all employees.

L. Criminal Background Check

As a condition of this Agreement, the Contractor certifies that, prior to hiring, the Contractor shall conduct or cause to be conducted:

1. For each applicant for employment, who works directly with clients under this Agreement, or who has access to client information, either an Internet Criminal History Access Tool (ICHAT) check, or an alternative background check approved in writing by OCS that would be more in depth or comprehensive than that provided by ICHT. Information about ICHAT can be found at <http://apps.michigan.gov/ichat> OCS will consider a written request from the Contractor for approval to use an alternative criminal background checks methodology. Requests must be submitted and approved prior to implementation and must include detailed description of the method and rationale for why it meets or exceeds the end product provided by ICHAT.
2. For each applicant for employment, who works directly with children under this Agreement, a Central Registry (CR) check.

The Contractor further certifies that the plan, that was required to be submitted to DHS/OCS no later than September 30, 2009, which describes a process and timeline for completion of the ICHAT and CR background checks for all existing employees, subcontractors, subcontractor employees, or volunteers, shall be implemented as required. The Contractor shall report the progress related to each task outlined in the plan no later than July 30 of each contract year, until such time as the Contractor provides notification in its report that the plan has been fully implemented.

## II. DHS DUTIES AND RESPONSIBILITIES

### A. Program Administration

DHS, as a recipient of Federal Financial Assistance, shall administer the Title IV-D program in Michigan, and shall maintain the approved Title IV-D State Plan consistent with Federal requirements. DHS shall also distribute program regulations, forms and instructions to the Contractor through the IV-D Program Prosecuting Attorney Handbook, the Prosecuting Attorney Letter Series, the OCS IV-D Combined Manual, the Michigan IV-D Action Transmittals, and the Mi-Support Website.

### B. Payment

1. DHS will provide timely processing of all claims for expenditure reimbursement in accordance with State regulations implementing § 2, Public Act 279 of 1984. DHS shall complete its processing of payments to the Contractor within forty-five (45) calendar days after receipt of the Contractor's monthly DHS-286. Payments shall be made in accordance with each fiscal year budget attached to and made part of this Agreement.

Processing and payment may be delayed to the next available cycle for any DHS-286 submitted after the due date.

2. DHS reserves the right to defer or disallow payment of any claim submitted by the Contractor for failure to document and provide any required paper or electronic records, statistics, or reports, to DHS as required by this Agreement or as are required by applicable State statutes or Federal regulations, provided that such requests are within the capacity of the Contractor to obtain. DHS must provide the Contractor with thirty (30) days notice of such an action as well as the Contractor's right to appeal that decision.

C. Program Compliance Monitoring and Evaluation

1. DHS shall monitor and evaluate Contractor performance for compliance with Title IV-D standards, all Contractor duties and responsibilities, as identified in § 1 of this Agreement, *Contractor Duties and Responsibilities*, and all other terms set forth in this Agreement. DHS shall provide access to all Federal reporting. DHS agrees to provide the Contractor with quarterly performance data no later than thirty (30) business days after the close of each quarter.
2. DHS shall conduct an annual self-assessment review to evaluate its IV-D program to determine if Federal requirements are being met and to provide an annual report to the Secretary of the Department of Health and Human Services on the findings; and,
3. DHS' agents will comply with the Contractor's information technology acceptable use policies and guidelines for the county computer system and protect the confidentiality of the case records.

D. Administrative Lien and Levy of Financial Assets

For the purpose of Administration Lien and Levy of Financial Assets, the DHS Central Enforcement Unit shall abide by the Central Financial Institution Data Match (FIDM) Business Rules developed by the State Court Administrative Office and DHS.

E. Incentive Payments to the Contractor

DHS shall distribute Federal incentive payments to the Contractor in accordance with Federal regulations implementing Public Law 105-200, 45 CFR Part 305 and applicable Office of Child Support, DHS procedures.

F. Maximum Amount of Agreement

1. The total maximum amount DHS agrees to pay the Contractor for services performed during the fiscal period of October 1, 2009 through September 30, 2010 as defined by the terms of the Agreement is three hundred sixty-nine thousand, five hundred ninety-seven and 00/100 dollars (\$369,597.00) which is 66% of the net budget identified in the Title IV-D Program Budget Summaries.
2. A Title IV-D Program Budget for each subsequent fiscal year covered by this Agreement shall be submitted to the OCS Contract Manager for review and approval by the deadline provided by DHS. In no event shall DHS make payment to the Contractor for billings submitted for payment within a fiscal year prior to receipt and approval of the budget for that fiscal year.

The contractor shall submit a budget for each of the following periods:

Fiscal Year

October 1, 2009 through September 30, 2010

October 1, 2010 through September 30, 2011

October 1, 2011 through September 30, 2012

3. If review of the Contractor's financial records indicates costs are projected to exceed an approved fiscal year's budget, the Contractor is required to submit an Amendment request for that fiscal year period. The due date for submission of this request is ninety (90) days prior to the end date of the fiscal year period. DHS shall provide an initial response to budget amendments within thirty (30) days of receipt.

Obligations incurred prior to or after the period covered by this Agreement shall be excluded from the Contractor's monthly invoices.

G. Additional Funding

DHS shall notify the Contractor of additional funding availability associated with this Agreement through a Notice of Funds Available (NFA), DHS-256. The NFA shall be signed by DHS and incorporated by reference into this Agreement unless the Contractor sends written notice of disagreement with the terms specified in the NFA within fourteen (14) days of its receipt. DHS hereby agrees to pay the Contractor an amount not to exceed the amount identified in the NFA for activities performed under this Agreement exclusively during the fiscal period of the NFA.

### III. GENERAL PROVISIONS

#### A. DHS' Source of Funds-Termination

DHS' payment of Federal or State funds for purposes of this Agreement is subject to and conditional upon the availability of those funds for such purposes. No commitment is made by the DHS to continue or expand activities covered by this Agreement. Funding for services to be provided beyond the end of the initial State fiscal year is dependent on legislative appropriation.

DHS may terminate this Agreement immediately upon written notice to the Contractor at any time prior to the completion of this Agreement if, in the sole discretion of DHS, funding becomes unavailable for this service or such funds are restricted.

#### B. Fees and Other Sources of Funding

The Contractor may not submit a claim for any service under this Agreement if the same service has been reimbursed in whole or in part with funds under another program. If the Contractor receives fees or reimbursement of costs for a service provided under this Agreement, the amount of fees or costs, whichever is greater, shall be deducted from any amounts billed under this Agreement.

#### C. Reporting

The Contractor shall comply with all program and fiscal reporting procedures as are or may hereinafter be established by DHS. The Contractor shall also comply with all reporting procedures established by DHS in completion of progress reports at time intervals, and on forms, in formats, and by means specified by DHS. In particular, reports or billing documents denoting event dates shall record month, day and year as specified by DHS. In all electronic filings, four (4) digits shall be used to designate century. Any additional reports deemed necessary by DHS as may be required to comply with Federal and/or State law or regulation shall be made and submitted by the Contractor upon request.

#### D. Examination and Maintenance of Records

The Contractor shall permit the DHS or any of its authorized agents access to the facilities being utilized at any reasonable time to observe the operation of the program. Further, the Contractor shall retain all books, records or other documents relevant to this Agreement for six (6) years after final payment, at the Contractor's cost. Federal auditors and any persons duly authorized by the DHS shall have full access to and the right to examine and audit any of said material during said period. If an audit is initiated prior to the expiration of the six (6) year period and extends past that period, all documents shall be maintained until the

audit is completed. DHS shall provide findings and recommendations of audits to the Contractor. DHS shall adjust future payments or final payment if the findings of an audit indicate over or under payment to the Contractor in any period prior to the audit. If no payments are due and owing the Contractor, the Contractor shall refund all amounts which may be due DHS within sixty (60) days notice by DHS. The Contractor shall assure, as a condition of any sale or transfer of ownership of the Contractor agency, that the new purchasers or owner maintains the above-described books, records or other documents for any unexpired portion of the six (6) year period after final payment under this Agreement or the Contractor shall otherwise maintain said records as the DHS may direct. If business operations cease, the Contractor shall maintain records as the DHS may direct. The Contractor shall notify DHS when and if the Contractor operations cease during the six (6) year period after final payments and provide for appropriate storage of records at the Contractor's expense.

The Contractor shall, as a provision of the Agreement between the Contractor and the auditor, assure that the DHS may make reasonable inquiries of the auditor relating to audit workpapers and, furthermore, that the DHS may review the auditor's workpapers in support of the audit.

E. Compliance with Federal and State Requirements

The Contractor shall comply with all Federal, State and local statutes, regulations and administrative rules, and any amendments thereto, as they may apply to the performance of this Agreement. This shall include, but shall not be limited to, those laws and regulations that could have a material effect on the Federal program.

In addition, the Contractor shall comply with all federal grant agreements, provisions stated within the Catalog of Federal Financial Assistance, and state and federal laws and other rules and regulations related to this funding source.

The Contractor shall comply with all Federal Office of Management and Budget circulars, which comply to the federal funding provided under this Agreement which include but are not limited to:

- . A-133 for audit requirements
- . A-102 for administrative requirements
- . A-87 Cost Principles for Government
- . Special Federal Grant Provisions

The Contractor shall keep informed of Federal, State, and local laws, ordinances, rules, regulations, orders, and decrees of bodies or tribunals having any jurisdiction/authority that in any manner affects those engaged in or employed on

the work done under this Agreement or that in any manner affects the conduct of the work done under this Agreement.

F. Compliance with Civil Rights, Other Laws

The Contractor shall not discriminate against any employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight or marital status pursuant to 1976 Public Act 453, Section 209. The Contractor shall also comply with the provisions of the Michigan Persons with Disabilities Civil Rights Act, 1976 Public Act 453, No. 220, as amended (M.C.L. Section 37.1101 et. seq.) and Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 355, which states that no employee or client or otherwise qualified handicapped individual shall, solely by reason of this handicap, be excluded from participation, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal Financial Assistance. Further, the Contractor shall comply with the Americans with Disabilities Act of 1990 (ADA), P.L. 101-336, 104 Stat. 327, which prohibits discrimination against individuals with disabilities and provides enforcement standards. The Contractor shall comply with all other Federal, State or local laws, regulations and standards, and any amendments thereto, as they may apply to the performance of this Agreement.

G. Civil Service Rules and Regulations

The State of Michigan is obligated to comply with Article XI, Section 5, of the Michigan Constitution and applicable Civil Service rules and regulations. Other provisions to this Agreement notwithstanding, the State personnel director is authorized to disapprove contractual disbursements for personal services if the State personnel director determines that the Agreement violates Article XI, Section 5 of the Michigan Constitution or applicable Civil Service rules and regulations.

H. Publication - Approval and Copyright

The State of Michigan shall have copyright, property and publication rights in all written or visual material or other work products funded under this Agreement. The Contractor shall not publish or distribute any printed or visual material relating to the services provided under this Agreement without prior written permission of the State of Michigan.

If the Contractor or an agent of the Contractor creates and/or reproduces under this Agreement materials which are developed for consumption by the general public or as a general information tool and which are funded in whole or in part

with State of Michigan funds, the Contractor or its agent must include one of the statements referenced below, as they apply:

- . This program is funded by the State of Michigan or
- . This program is funded in part by the State of Michigan

I. Confidentiality

1. The Contractor and the State of Michigan (hereinafter referred to as the State) each acknowledge that the other possesses and will continue to possess confidential information that has been developed or received by it. As used in this Section, "Confidential Information" of the Contractor must mean all non-public proprietary information of the Contractor (other than Confidential Information of the State as defined below) which is marked confidential, restricted, proprietary or with a similar designation. "Confidential Information" of the State must mean any information which is retained in confidence by the State (or otherwise required to be held in confidence by the State under applicable federal, state and local laws and regulations) or which, in the case of tangible materials provided to the Contractor by the State under its performance under this Agreement, is marked as confidential, proprietary or with a similar designation by the State. "Confidential Information" excludes any information (including this Agreement) that is publicly available under the Michigan Freedom of Information Act.
2. The State and the Contractor will each use at least the same degree of care to prevent disclosing to third parties the Confidential Information of the other as it employs to avoid unauthorized disclosure, publication or dissemination of its own confidential information of like character, but in no event less than reasonable care. Neither the Contractor nor the State will (i) make any use of the Confidential Information of the other except as contemplated by this Agreement, (ii) acquire any right in or assert any lien against the Confidential Information of the other, or (iii) if requested to do so, refuse for any reason to promptly return the other party's Confidential Information to the other party. Each party will limit disclosure of the other party's Confidential Information to employees and Subcontractors who must have access to fulfill the purposes of this Agreement. Disclosure to, and use by, a Subcontractor is permissible where (A) use of a Subcontractor is authorized under this Agreement, (B) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the Subcontractor's scope of responsibility, and (C) the Contractor obligates the Subcontractor in a written Contract to maintain the State's Confidential Information in confidence. At the State's request, any employee of the Contractor and of any Subcontractor having access or continued access to the State's Confidential Information may be required to execute an acknowledgment

that the employee has been advised of the Contractor's and the Subcontractor's obligations under this Section and of the employee's obligation to the Contractor or Subcontractor, as the case may be, to protect the Confidential Information from unauthorized use or disclosure. Promptly upon termination or cancellation of this Agreement for any reason, the Contractor must certify to the State that the Contractor has destroyed all State's Confidential Information.

J. Fixed Assets

DHS reserves the right to obtain or transfer title to all fixed assets, real or personal, included in the approved budget of this Agreement, billed in full or in part to DHS by the Contractor and not fully utilized at the conclusion of the Agreement. Fixed asset cost billed to DHS shall be limited to straight-line depreciation or use charge pre-approved by DHS and shall be used only for the performance of this Agreement unless another use is authorized in writing by DHS. DHS property shall be used only for the performance of the Agreement unless another use is authorized in writing by DHS, and shall promptly be returned or the DHS portion of the residual value refunded to DHS upon expiration of this Agreement, in its original condition, reasonable wear and tear excepted.

At least sixty (60) days prior to the end of this Agreement (which includes cancellation of the Agreement), the Contractor shall report to DHS the book value of all fixed assets and non-consumables purchased with DHS funds and not fully utilized by the end of the Agreement. The Contractor shall request written instructions regarding the disposal of these fixed assets and consumable and/or non-consumable supplies that have been acquired with funds under this Agreement. Any gain on the sale or disposition of fixed assets before completion of the Agreement must be immediately reported and refunded to DHS.

No disposal, sale or transfer of fixed assets obtained under this Agreement in whole or part, may occur without the express written consent of DHS.

K. Subcontracts

The Contractor shall not assign this Agreement or subcontract this Agreement to other parties without obtaining prior written approval of DHS' Division of Contracts and Rate Setting. DHS, as a condition of granting such approval, shall require that such assignees or subcontractors shall be subject to all conditions and provisions of this Agreement including Criminal Record and Central Registry background checks, when applicable. The Contractor shall be responsible for the performance of all assignees or subcontractors.

If subcontracting, the Contractor must obligate the Subcontractor(s) to maintain the confidentiality of DHS' client information in conformance with State and Federal requirements. At DHS' request, any employee of the Contractor and of any Subcontractor having access or continued access to the DHS' confidential information may be required to execute an acknowledgement that the employee has been advised of the Contractor's and the Subcontractor's obligations under this section and of the employee's obligation to DHS, the Contractor or Subcontractor, as the case may be, to protect such confidential information from unauthorized use or disclosure.

L. Cancellation of Agreement

DHS may cancel this Agreement upon thirty (30) days written notice if DHS determines that the Contractor, its agent, or its representative has offered or given a gratuity, kickback, money, gift, or anything of value to an officer, official or employee of the State to obtain an Agreement or favorable treatment under an Agreement. By signing this Agreement, the Contractor hereby certifies that no funds have been given to any State officer, official, or State employee for influencing or attempting to influence such officer, official, or employee of the State.

Except as indicated below, DHS may cancel the Agreement without further liability to DHS or its employees by giving the Contractor written notice of such cancellation thirty (30) days prior to the date of cancellation. The Contractor may terminate this agreement upon thirty (30) days written notice to DHS at any time prior to the completion of the Agreement period.

In case of default by the Contractor, the DHS may immediately cancel the Agreement without further liability to DHS or its employees, and procure the services from other sources.

The Contractor, by signing this Agreement, certifies to the best of his/her knowledge that no funds or other items/services of value have been given to any State officer, official, or employee for influencing or attempting to influence such officer, official, or employee to obtain a contract or favorable treatment under this Agreement.

M. Stop Work Orders

DHS may, at any time, by written stop work order to the Contractor, require that the Contractor stop all, or any part, of the work called for by the Agreement for a period of up to ninety (90) calendar days after the stop work order is delivered to the Contractor, and for any further period to which the parties may agree. The stop work order shall be specifically identified as such and shall indicate that it is issued under this section of the Agreement. Upon receipt of the stop work order,

the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the stop work order during the period of work stoppage.

If a stop work order issued under this section of the Agreement is canceled or the period of the stop work order or any extension thereof expires, the Contractor shall resume work. The parties shall agree upon an equitable adjustment in the services to be delivered, the Agreement price, or both, and the Agreement shall be modified, in writing, accordingly, if: (a) the stop work order results in an increase in the time required for, or in the Contractor's cost properly allocable to the performance of any part of this Agreement; and (b) the Contractor asserts its right to an equitable adjustment within thirty (30) calendar days after the end of the period of work stoppage, provided that, if DHS decides the facts justify the action, DHS may receive and act upon a Contractor billing submitted at any time before final payment under the Agreement.

Where Contractor performance is statutorily required, or where the work may not be suspended because of other reasons of law or regulation, a stop work order means that no payment pursuant to this Agreement shall be made to the Contractor for the work performed while the stop order is effect, unless funds are specifically appropriated, and become available to DHS specifically for payment of the work performed under this Agreement while the stop work order is in effect.

N. Closeout

When this Agreement is concluded or terminated, the Contractor shall provide the DHS, within thirty (30) days of conclusion or termination, with all financial, performance and other reports required as a condition of the Agreement. The DHS shall within the limit of this Agreement reimburse the Contractor for allowable costs not previously reimbursed. The Contractor shall immediately refund to DHS any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures.

O. Continuing Responsibilities

Termination, conclusion, or cancellation of this Agreement shall not be construed as terminating the ongoing responsibilities of the Contractor or rights of the DHS contained in Section III, E, "Examination and Maintenance of Records" and Section III, M, "Closeout" of this Agreement.

P. Disputes

The Contractor shall notify the DHS in writing of intent to pursue a claim against the DHS for breach of any terms of this Agreement. No suit may be commenced by the Contractor for breach of this Agreement prior to the expiration of ninety

(90) days from the date of such notification. Within this ninety (90) day period, the Contractor, at the request of the DHS, must meet with the Director of the DHS or designee for the purpose of attempting resolution of the dispute.

Q. Agreement Inclusiveness/Amendment

This Agreement contains all the terms and conditions agreed upon by the parties. No other understanding, oral or otherwise, regarding the subject matter of this Agreement shall be deemed to exist or to bind any of the parties hereto. The Contractor shall, upon request by the DHS and receipt of a proposed amendment, amend this Agreement, if and when required in the opinion of the DHS, due to the revision of Federal or State laws or regulations. If the Contractor refuses to sign such amendment within fifteen (15) days after receipt, this Agreement shall terminate upon such refusal. This Agreement may otherwise be amended only by the written consent of all the parties hereto.

R. Monitoring Requirements

DHS reserves the right to perform on-site visits during normal business hours to monitor the Contractor's activities under this Agreement at any time, either during the term, or within three (3) years after termination of the Agreement. The Contractor shall cooperate with DHS during the monitoring process by making available all records, facilities, and other resources necessary to perform the review.

If DHS detects noncompliance with this Agreement, and/or questioned costs during the course of its review, these items shall be identified and conveyed to the Contractor in an exit conference. DHS shall provide the Contractor with a detailed written report of these findings within sixty (60) days of the exit conference. The Contractor is required to address each item in DHS' report by providing a Corrective Action Plan (CAP) to eliminate or correct each issue of noncompliance. The Contractor shall submit the CAP to DHS within sixty (60) days from issuance of DHS' report.

If DHS identifies questioned costs that cannot be substantiated, DHS may, at its discretion, and after consultation with the Contractor, require the Contractor to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" to reflect adjustment for disallowed costs. Submission of revised billings to DHS shall be made within a time schedule established by DHS and the Contractor. If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, and within allotted time frames mutually established, DHS may, at its discretion, invoke sanctions on the Contractor, which may include, but are not limited to, actions to collect disallowed costs and/or cancellation of the Agreements.

S. Certifications Regarding Lobbying

As required by section 1352, Title 31 of the U.S. Code, and implemented at 28 CFR Part 69, for persons entering into a grant or cooperative agreement over \$100,000, as defined at 28 CFR Part 69, the Contractor certifies that:

1. No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any persons influencing or attempting to influence an officer or employee of any department, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with the making of any Federal grant, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal grant or cooperative agreement.
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a member of Congress in connection with this Federal grant or cooperative agreement, the undersigned shall complete and submit Standard form - LLL, "Disclosure of Lobbying Activities," in accordance with its instructions.
3. The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including sub-grants, Agreements under grants and cooperative Agreements, and subcontracts) and that all sub-recipients shall certify and disclose accordingly.

T. Recoupment of Funding

If the Contractor fails to comply with monitoring requirements as set forth in this Agreement, or fails to submit a revised DHS-286, "Title IV-D Cooperative Reimbursement Actual Expenditure Report" within allotted time frames established by DHS in consultation with the Contractor, DHS may, at its discretion, recoup or require the Contractor to reimburse payments made under this Agreement that DHS has determined that the Contractor has been overpaid. The Contractor is liable for any cost imposed on DHS by the Federal government in the recoupment of any funding.

Upon notification by DHS that repayment is required, the Contractor shall make payment directly to DHS within thirty (30) days or DHS may withhold current or future payments made under this or any other agreements, current or future, between DHS and the Contractor.

If the Contractor fails to: (1) correct noncompliance activities identified by DHS, (2) submit revised billings as requested as part of a Corrective Action Plan when required; or (3) remit overpayments or make arrangements to have the overpayments deducted from future payments within thirty (30) days, such failure shall constitute grounds to terminate immediately any or all of DHS' Agreements with the Contractor. DHS shall also report noncompliance of the Contractor to Michigan's Department of Management and Budget. Such a report may result in the Contractor's debarment from further Agreements with the State of Michigan.

U. Freedom of Information Act

The Contractor and DHS will abide by all of the requirements of the Freedom of Information Act, 1976 public Act No. 442, as amended, MCL 15.231, et seq.

V. Prohibition against Using Funds to Support Religious Activities

The Contractor shall not use financial funds administered by the State or Federal government to support inherently religious activities, such as worship, religious instruction, or proselytization. If the Contractor engages in such activities, it must offer them separately, in time or location, from the programs or services funded with State or Federal assistance, and participation must be voluntary for the beneficiaries of the State or Federally funded programs or services.

The Contractor shall strictly adhere to provisions of federal law and regulation, including those found in 42 U.S.C. 604a.

W. Audit Reports that Contain a Going Concern Statement

If an audit firm conducts an audit of the Contractor and issues an audit report with a finding of a Going Concern, the Contractor must submit this audit report to the DHS Office of Monitoring and Internal Control within ten (10) days from the date of the audit report. The submission of this audit report to DHS is required regardless of whether an audit is required under this Agreement.

A Contractor receiving a Going Concern must submit a financial plan to the DHS Office of Monitoring and Internal Control no later than twenty-five (25) days from the date of the audit report issued by the audit firm. The financial plan must be approved by DHS. Failure of the Contractor to either timely submit the audit report with the Going Concern, or timely submit a financial plan, or DHS' rejection of the Contractor's financial plan, are grounds for immediately terminating the Agreement.

Mailing address for all audit information:

Michigan Department of Human Services

Office of Monitoring and Internal Audit  
Grand Tower, Suite 1112  
P.O. Box 30037  
Lansing, MI 48909  
Attention: William Addison, CPA

X. Repayment of Debts and Other Amounts Due DHS

By entering into this Agreement, the Contractor agrees to honor all prior repayment agreements established by DHS with the Contractor or Contractor's predecessors. If the Contractor has an outstanding debt due to DHS but does not have a repayment agreement, the Contractor agrees to make monthly payments to DHS at an amount not less than five (5)% of any outstanding balance and to begin on the date this Agreement is executed.

If the Contractor fails to honor prior repayment agreements, or the Contractor fails to begin repayment on an obligation due DHS that is not subject to a repayment agreement, DHS will initiate the administrative process to reduce repayments to the Contractor under this Agreement to recoup the debt. The payment reduction will be made at the amount originally established in the repayment agreement or at an amount not less than five (5)% of any outstanding balance effective on the date this Agreement is executed.

Y. Governing Law

This Agreement shall in all respects be governed by, and construed in accordance with, the laws of the State of Michigan. Any dispute arising herein shall be resolved in the State of Michigan.

Z. Severability

Each provision of this Agreement shall be deemed to be severable from all other provisions of this Agreement and, if one or more of the provisions of this Agreement shall be declared invalid, the remaining provisions of this Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the DHS and the Contractor have caused this Agreement to be executed by their respective officers duly authorized to do so.

The Undersigned has the lawful authority to bind the Contractor to the terms set forth in this Agreement.

Dated at \_\_\_\_\_, Michigan \_\_\_\_\_  
Calhoun Prosecuting Attorney

This \_\_\_\_ day of \_\_\_\_\_, 2009 By: \_\_\_\_\_

Witness: \_\_\_\_\_  
Prosecuting Attorney  
(Print Name)

Dated at \_\_\_\_\_, Michigan \_\_\_\_\_  
The County of Calhoun  
(Contractor)

This \_\_\_\_ day of \_\_\_\_\_, 2009 By: \_\_\_\_\_

Witness: \_\_\_\_\_  
Chairperson, County Board of Commissioners  
(Print Name)

Dated at \_\_\_\_\_, Michigan \_\_\_\_\_  
Department of Human Services

This \_\_\_\_ day of \_\_\_\_\_, 2009 By: \_\_\_\_\_

Witness: \_\_\_\_\_  
Director or Designee

Contract #: CSPA10-13002



*September 3, 2009*

## **12.A. (2)**

RESOLVED, that the Calhoun County Board of Commissioners approve the FY 2009-2010 Crime Victim Rights Grant Agreement between the Michigan Department of Community Health and the County of Calhoun - Prosecutor's Office for the period of October 1, 2009 through September 30, 2010 in the amount of \$133,200; further, authorize the Board Chairman to execute said Agreement on behalf of Calhoun County.



THE OFFICE OF  
**SUSAN K. MLADENOFF**  
**PROSECUTING ATTORNEY**  
CALHOUN COUNTY

Calhoun County Justice Center  
161 E. Michigan Ave.  
Battle Creek, MI 49014-4066  
Phone: (269) 969-6980  
Fax: (269) 969-6967

August 20, 2009

EUSEBIO SOLIS  
CHIEF ASSISTANT  
PROSECUTING ATTORNEY

TO: Calhoun County Board of Commissioners

FROM: Susan K. Mladenoff  
Prosecuting Attorney *SKM*

AUG 21 RECD  
2009

Re: Request For Signature on the FY 2010 Victim Services Grant Contract

RECOMMENDED COUNTY COMMISSION ACTION:

The Calhoun County Prosecutor's Office recommends that the Calhoun County Board of Commissioners authorize the signing of the Victim Services Grant to the Calhoun County Prosecutor's Office.

BACKGROUND

With the passage of the Crime Victim Rights Act in the 1980's the state began using the money collected to fund crime victim units in prosecutor's offices throughout the state. This funding takes the form of a yearly grant. The Grant for this year is for \$133,200.00.

(Note: This Grant pays the wages of the employees and other expenses. It does not pay for fringe benefits. The fringe benefits are paid by county general fund dollars)

ALTERNATIVES

The County could refuse the Grant.

BUDGETARY/STAFFING IMPACT:

The Victim Services Grant is funded by the state.

There are currently Four (4) employees serving under this Grant. These include: Stephanie Edwards - Victim Services Director, Nora Geiger - Victim Services Assistant, Kimberly Bachman - Victim Services Secretary, and Michelle Matson - Victim Services Advocate assigned to the Family Court Division.

SUMMARY:

The Victim Services Grant will allow the Calhoun County Prosecutor's Office to continue to serve crime victims by informing them of their rights and assisting them as their case proceeds through the Criminal Justice System.

**Grant Agreement Between**  
**Michigan Department of Community Health**  
hereinafter referred to as the "Department"

and

**County of Calhoun - Prosecutor's Office**

**161 E Michigan Ave**

**Battle Creek, MI 49014**

Federal I.D.#: 38-6004358

hereinafter referred to as the "Contractor"

for

**Crime Victim Rights**

**Part I**

1. **Period of Agreement:** This agreement shall commence on October 01, 2009 and continue through September 30, 2010. This agreement is in full force and effect for the period specified.

2. **Program Budget and Agreement Amount**

A. **Agreement Amount**

The total amount of this agreement is \$ 133,200. The Department under the terms of this agreement will provide funding not to exceed \$ 133,200. The federal funding provided by the Department: is \$ 0 or approximately 0%; the Catalog of Federal Domestic Assistance (CFDA) number is N/A and the CFDA Title is N/A; the federal agency name is N/A; the federal grant award number is N/A and the award phase is N/A. The federal program title is N/A. The grant agreement is designated as a:

subrecipient relationship; or

vendor relationship.

The grant agreement is designated as:

Research and development project; or

Not a research and development project.

B. **Equipment Purchases and Title**

Any contractor equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule. Equipment means tangible, non-expendable, personal property having useful life of more than one (1) year and an acquisition cost of

\$5,000 or more per unit. Title to items having a unit acquisition cost of less than \$5,000 shall vest with the Contractor upon acquisition. The Department reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of \$5,000 or more, to the extent that the Department's proportionate interest in such equipment supports such retention or transfer of title.

**C. Deviation Allowance**

A deviation allowance modifying an established budget category by \$10,000 or 15%, whichever is greater, is permissible without prior written approval of the Department. Any modification or deviations in excess of this provision, including any adjustment to the total amount of this agreement, must be made in writing and executed by all parties to this agreement before the modifications can be implemented. This deviation allowance does not authorize new categories, subcontracts, equipment items or positions not shown in the attached Program Budget Summary and supporting detail schedules.

3. **Purpose:** The focus of the program is to: implement the requirements of the William Van Regenmorter Crime Victim Rights Act, P.A. 87 of 1985.
4. **Statement of Work:** The Contractor agrees to undertake, perform and complete the services described in Attachment A, which is part of this agreement through reference.
5. **Financial Requirements:** The financial requirements shall be followed as described in Part II of this agreement and Attachments B and D which are part of this agreement through reference.
6. **Performance/Progress Report Requirements:** The progress reporting methods, as applicable, shall be followed as described in Attachment C, which is part of this agreement through reference.
7. **General Provisions:** The Contractor agrees to comply with the General Provisions outlined in Part II and Attachment E, which is part of this agreement through reference.
8. **Administration of the Agreement:**

The person acting for the Department in administering this agreement (hereinafter referred to as the Contract Manager) is:

M. Elizabeth Adcock Program Specialist (517) 334-9943 adcockb@michigan.gov

Name, Location/Building	Title	Telephone No.	E-mail Address
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9. **Contractor's Financial Contact for the Agreement:**

The person acting for the Contractor on the financial reporting for this agreement is:

Jeryl Schopke Finance Analyst

Name	Title
<u>jschoepke@calhouncountymi.gov</u>	<u>(269) 781-0971</u>
E-Mail Address	Telephone No.

10. **Special Conditions:**

- A. This agreement is valid upon approval by the State Administrative Board as appropriate and approval and execution by the Department.
- B. This agreement is conditionally approved subject to and contingent upon the availability of funds.
- C. The Department will not assume any responsibility or liability for costs incurred by the Contractor prior to the signing of this agreement.
- D. The Contractor is required by PA 533 of 2004 to receive payments by electronic funds transfer.

11. **Special Certification:**

The individual or officer signing this agreement certifies by his or her signature that he or she is authorized to sign this agreement on behalf of the responsible governing board, official or Contractor.

12. **Signature Section:**

**For the CONTRACTOR**

---

Name	<i>(Please print)</i>	Title
------	-----------------------	-------

---

Signature	Date
-----------	------

**For the MICHIGAN DEPARTMENT OF COMMUNITY HEALTH**

---

Mary Jane Russell, Director, Bureau Of Budget And Audit	Date
---	------

**Part II**  
**General Provisions**

**I. Responsibilities - Contractor**

The Contractor in accordance with the general purposes and objectives of this agreement will:

**A. Publication Rights**

1. Where activities supported by this agreement produce books, films, or other such copyrightable materials issued by the Contractor, the Contractor may copyright such but shall acknowledge that the Department reserves a royalty-free, non-exclusive and irrevocable license to reproduce, publish and use such materials and to authorize others to reproduce and use such materials. This cannot include service recipient information or personal identification data.
2. Any copyrighted materials or modifications bearing acknowledgment of the Department's name must be approved by the Department prior to reproduction and use of such materials.
3. The Contractor shall give recognition to the Department in any and all publications papers and presentations arising from the program and service contract herein; the Department will do likewise.

**B. Fees**

Make reasonable efforts to collect 1<sup>st</sup> and 3<sup>rd</sup> party fees, where applicable, and report these as outlined by the Department's fiscal procedures. Any underrecoveries of otherwise available fees resulting from failure to bill for eligible services will be excluded from reimbursable expenditures.

**C. Program Operation**

Provide the necessary administrative, professional, and technical staff for operation of the program.

**D. Reporting**

Utilize all report forms and reporting formats required by the Department at the effective date of this agreement, and provide the Department with timely review and commentary on any new report forms and reporting formats proposed for issuance thereafter.

**E. Record Maintenance/Retention**

Maintain adequate program and fiscal records and files, including source documentation to support program activities and all expenditures made under the terms of this agreement, as required. Assure that all terms of the agreement will be appropriately adhered to and that records and detailed documentation for the project or program identified in this agreement will be maintained for a period of not less than three (3) years from the date of termination, the date of submission of the final expenditure report or until litigation and audit findings have been resolved.

**F. Authorized Access**

Permit upon reasonable notification and at reasonable times, access by authorized representatives of the Department, Federal Grantor Agency, Comptroller General of the United States and State Auditor General, or any of their duly authorized representatives, to records, files and documentation related to this agreement, to the extent authorized by applicable state or federal law, rule or regulation.

**G. Audits**

This section only applies to Contractors designated as subrecipients. Contractors designated as vendors are exempt from the provisions of this section.

**1. Required Audit or Notification Letter**

Contractors must submit to the Department either a Single Audit, Financial Statement Audit, or Audit Status Notification Letter as described below. If submitting a Single Audit or Financial Statement Audit, Contractors must also submit a Corrective Action Plan for any audit findings that impact MDCH-funded programs, and management letter (if issued) with a response.

**a. Single Audit**

Contractors that expend \$500,000 or more in federal awards during the Contractor's fiscal year must submit to the Department a Single Audit prepared consistent with the Single Audit Act Amendments of 1996, and Office of Management and Budget (OMB) Circular A-133, "Audits of States, Local Governments, and Non-Profit Organizations," as revised.

**b. Financial Statement Audit**

Contractors exempt from the Single Audit requirements that receive \$500,000 or more in **total funding** from the Department in State and Federal grant funding must submit to the Department a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS). Contractors exempt from the Single Audit requirements that receive less than \$500,000 of total Department grant funding must submit to the Department a Financial Statement Audit prepared in accordance with GAAS if the audit includes disclosures that may negatively impact MDCH-funded programs including, but not limited to fraud, going concern uncertainties, financial statement misstatements, and violations of contract and grant provisions.

**c. Audit Status Notification Letter**

Contractors exempt from both the Single Audit and Financial Statement Audit requirements (a. and b. above) must submit an Audit Status Notification Letter that certifies these exemptions. The template Audit Status Notification Letter and further instructions are available at <http://www.michigan.gov/mdch> by selecting Inside Community Health – MDCH Audit.

2. Due Date and Where to Send

The required audit and any other required submissions (i.e. Corrective Action Plan and management letter with a response), or audit Status Notification Letter must be submitted to the Department within nine months after the end of the Contractor's fiscal year to:

Michigan Department of Community Health  
Office of Audit  
Quality Assurance and Review Section  
P.O. Box 30479\*  
Lansing, Michigan 48910-7979

**\*For Express Delivery:**  
Capital Commons Center  
400 S. Pine Street  
Lansing, Michigan 48933

Alternatives to paper filing may be viewed at <http://www.michigan.gov/mdch> by selecting Inside Community Health – MDCH Audit.

3. Penalty

a. Delinquent Single Audit or Financial Statement Audit

If the Contractor does not submit the required Single Audit reporting package, management letter (if issued) with a response, and Corrective Action Plan; or the Financial Statement Audit and management letter (if issued) with a response within nine months after the end of the Contractor's fiscal year and an extension has not been approved by the cognizant or oversight agency for audit, the Department may withhold from the current funding an amount equal to five percent of the audit year's grant funding (not to exceed \$200,000) until the required filing is received by the Department. The Department may retain the amount withheld if the Contractor is more than 120 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit. The Department may terminate the current grant if the Contractor is more than 180 days delinquent in meeting the filing requirements and an extension has not been approved by the cognizant or oversight agency for audit.

b. Delinquent Audit Status Notification Letter

Failure to submit the Audit Status Notification Letter, when required, may result in withholding from the current funding an amount equal to one percent of the audit year's grant funding until the Audit Status Notification Letter is received.

4. Other Audits

The Department or federal agencies may also conduct or arrange for “agreed upon procedures” or additional audits to meet their needs.

H. Subrecipient/Vendor Monitoring

The Contractor must ensure that each of its **subrecipients** comply with the Single Audit Act requirements. The Contractor must issue management decisions on audit findings of their subrecipients as required by OMB Circular A-133.

The Contractor must also develop a subrecipient monitoring plan that addresses “during the award monitoring” of **subrecipients** to provide reasonable assurance that the subrecipient administers Federal awards in compliance with laws, regulations, and the provisions of contracts, and that performance goals are achieved. The subrecipient monitoring plan should include a risk-based assessment to determine the level of oversight, and monitoring activities such as reviewing financial and performance reports, performing site visits, and maintaining regular contact with subrecipients.

The Contractor must establish requirements to ensure compliance for **for-profit subrecipients** as required by OMB Circular A-133, Section .210(e)

The Contractor must ensure that transactions with **vendors** comply with laws, regulations, and provisions of contracts or grant agreements in compliance with OMB Circular A-133, Section .210(f).

I. Notification of Modifications

Provide timely notification to the Department, in writing, of any action by its governing board or any other funding source that would require or result in significant modification in the provision of services, funding or compliance with operational procedures.

J. Software Compliance

The Contractor must ensure software compliance and compatibility with the Department’s data systems for services provided under this agreement including, but not limited to: stored data, databases, and interfaces for the production of work products and reports. All required data under this agreement shall be provided in an accurate and timely manner without interruption, failure or errors due to the inaccuracy of the Contractor’s business operations for processing date/time data.

K. Human Subjects

The Contractor will comply with Protection of Human Subjects Act, 45 CFR, Part 46. The Contractor agrees that prior to the initiation of the research, the Contractor will submit institutional Review Board (IRB) application material for all research involving human subjects, which is conducted in programs sponsored by the Department or in programs which receive funding from or through the State of Michigan, to the Department’s IRB for review and approval, or the IRB application and approval materials for acceptance of the review of another IRB. All such research must be approved by a federally assured IRB, but the Department’s IRB can only accept the review and approval of another

institution's IRB under a formally-approved interdepartmental agreement. The manner of the review will be agreed upon between the Department's IRB Chairperson and the Contractor's IRB Chairperson or Executive Officer(s).

II. **Responsibilities - Department**

The Department in accordance with the general purposes and objectives of this agreement will:

A. **Reimbursement**

Provide reimbursement in accordance with the terms and conditions of this agreement based upon appropriate reports, records, and documentation maintained by the Contractor.

B. **Report Forms**

Provide any report forms and reporting formats required by the Department at the effective date of this agreement, and provide to the Contractor any new report forms and reporting formats proposed for issuance thereafter at least ninety (90) days prior to their required usage in order to afford the Contractor an opportunity to review and offer comment.

III. **Assurances**

The following assurances are hereby given to the Department:

A. **Compliance with Applicable Laws**

The Contractor will comply with applicable federal and state laws, guidelines, rules and regulations in carrying out the terms of this agreement. The Contractor will also comply with all applicable general administrative requirements such as OMB Circulars covering cost principles, grant/agreement principles, and audits in carrying out the terms of this agreement.

B. **Anti-Lobbying Act**

The Contractor will comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 USC 1601 et seq, and Section 503 of the Departments of Labor, Health and Human Services, and Education, and Related Agencies section of the FY 1997 Omnibus Consolidated Appropriations Act (Public Law 104-209). Further, the Contractor shall require that the language of this assurance be included in the award documents of all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

C. **Non-Discrimination**

1. In the performance of any contract or purchase order resulting herefrom, the Contractor agrees not to discriminate against any employee or applicant for employment or service delivery and access, with respect to their hire, tenure, terms, conditions or privileges of employment, programs and services provided or any matter directly or indirectly related to employment, because of race, color, religion, national origin, ancestry, age, sex, height, weight, marital status, physical or mental disability unrelated to the individual's ability to perform the duties of the particular job or position or to receive services. The Contractor further

agrees that every subcontract entered into for the performance of any contract or purchase order resulting herefrom will contain a provision requiring non-discrimination in employment, service delivery and access, as herein specified binding upon each subcontractor. This covenant is required pursuant to the Elliot-Larsen Civil Rights Act, 1976 PA 453, as amended, MCL 37.2201 et seq., and the Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended, MCL 37.1101 et seq., and any breach thereof may be regarded as a material breach of the contract or purchase order.

2. The Contractor will comply with all Federal statutes relating to nondiscrimination. These include but are not limited to:
  - a. Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin;
  - b. Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex;
  - c. Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps;
  - d. the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age;
  - e. the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse;
  - f. the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616) as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism;
  - g. §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 dd-3 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records
  - h. any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and,
  - i. the requirements of any other nondiscrimination statute(s) which may apply to the application.
3. Additionally, assurance is given to the Department that proactive efforts will be made to identify and encourage the participation of minority owned and women owned businesses, and businesses owned by persons with disabilities in contract solicitations. The Contractor shall incorporate language in all contracts awarded: (1) prohibiting discrimination against minority owned and women owned businesses and businesses owned by persons with disabilities in subcontracting; and (2) making discrimination a material breach of contract.

**D. Debarment and Suspension**

Assurance is hereby given to the Department that the Contractor will comply with Federal Regulation, 2 CFR part 180 and certifies to the best of its knowledge and belief that it, its employees and its subcontractors:

1. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal department or contractor;
2. Have not within a three-year period preceding this agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction or contract under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;
3. Are not presently indicted or otherwise criminally or civilly charged by a government entity (federal, state or local) with commission of any of the offenses enumerated in section 2, and;
4. Have not within a three-year period preceding this agreement had one or more public transactions (federal, state or local) terminated for cause or default.

**E. Federal Requirement: Pro-Children Act**

1. Assurance is hereby given to the Department that the Contractor will comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 USC 6091 et seq, which requires that smoking not be permitted in any portion of any indoor facility owned or leased or contracted by and used routinely or regularly for the provision of health, day care, early childhood development services, education or library services to children under the age of 18, if the services are funded by federal programs either directly or through state or local governments, by federal grant, contract, loan or loan guarantee. The law also applies to children's services that are provided in indoor facilities that are constructed, operated, or maintained with such federal funds. The law does not apply to children's services provided in private residences; portions of facilities used for inpatient drug or alcohol treatment; service providers whose sole source of applicable federal funds is Medicare or Medicaid; or facilities where Women, Infants, and Children (WIC) coupons are redeemed. Failure to comply with the provisions of the law may result in the imposition of a civil monetary penalty of up to \$1,000 for each violation and/or the imposition of an administrative compliance order on the responsible entity. The Contractor also assures that this language will be included in any subawards which contain provisions for children's services.
2. The Contractor also assures, in addition to compliance with Public Law 103-227, any service or activity funded in whole or in part through this agreement will be delivered in a smoke-free facility or environment. Smoking shall not be permitted anywhere in the facility, or those parts of

the facility under the control of the Contractor. If activities or services are delivered in facilities or areas that are not under the control of the Contractor (e.g., a mall, restaurant or private work site), the activities or services shall be smoke-free.

**F. Hatch Political Activity Act and Intergovernmental Personnel Act**

The Contractor will comply with the Hatch Political Activity Act, 5 USC 1501-1509 and 7324-7328, and the Intergovernmental Personnel Act of 1970, as amended by Title VI of the Civil Service Reform Act, Public Law 95-454, 42 USC 4728 - 4763. Federal funds cannot be used for partisan political purposes of any kind by any person or organization involved in the administration of federally-assisted programs.

**G. Subcontracts**

Assure for any subcontracted service, activity or product:

1. That a written subcontract is executed by all affected parties prior to the initiation of any new subcontract activity. Exceptions to this policy may be granted by the Department upon written request within 30 days of execution of the agreement.
2. That any executed subcontract to this agreement shall require the subcontractor to comply with all applicable terms and conditions of this agreement. In the event of a conflict between this agreement and the provisions of the subcontract, the provisions of this agreement shall prevail.

A conflict between this agreement and a subcontract, however, shall not be deemed to exist where the subcontract:

- a. Contains additional non-conflicting provisions not set forth in this agreement;
  - b. Restates provisions of this agreement to afford the Contractor the same or substantially the same rights and privileges as the Department; or
  - c. Requires the subcontractor to perform duties and/or services in less time than that afforded the Contractor in this agreement.
3. That the subcontract does not affect the Contractor's accountability to the Department for the subcontracted activity.
  4. That any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and services.
  5. That the Contractor will submit a copy of the executed subcontract if requested by the Department.

**H. Procurement**

Assure that all purchase transactions, whether negotiated or advertised, shall be conducted openly and competitively in accordance with the principles and requirements of OMB Circular A-102 as revised, implemented through applicable portions of the associated "Common Rule" as promulgated by

responsible federal contractor(s), or 2 CFR, Part 215 (OMB Circular A-110) as amended, as applicable, and that records sufficient to document the significant history of all purchases are maintained for a minimum of three years after the end of the agreement period.

**I. Health Insurance Portability and Accountability Act**

To the extent that this act is pertinent to the services that the Agency provides to the Department under this agreement, the Agency assures that it is in compliance with the Health Insurance Portability and Accountability Act (HIPAA) requirements including the following:

1. The Agency must not share any protected health data and information provided by the Department that falls within HIPAA requirements except as permitted or required by applicable law; or to a subcontractor as appropriate under this agreement.
2. The Agency will ensure that any subcontractor will have the same obligations as the Agency not to share any protected health data and information from the Department that falls under HIPAA requirements in the terms and conditions of the subcontract.
3. The Agency must only use the protected health data and information for the purposes of this agreement.
4. The Agency must have written policies and procedures addressing the use of protected health data and information that falls under the HIPAA requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA regulations. These policies and procedures must include restricting access to the protected health data and information by the Agency's employees.
5. The Agency must have a policy and procedure to immediately report to the Department any suspected or confirmed unauthorized use or disclosure of protected health data and information that falls under the HIPAA requirements of which the Agency becomes aware. The Agency will work with the Department to mitigate the breach, and will provide assurances to the Department of corrective actions to prevent further unauthorized uses or disclosures.
6. Failure to comply with any of these contractual requirements may result in the termination of this agreement in accordance with Attachment A, Section III. Agreement Termination.
7. In accordance with HIPAA requirements, the Agency is liable for any claim, loss or damage relating to unauthorized use or disclosure of protected health data and information by the Agency received from the Department or any other source.
8. The agency will enter into a business associate agreement should the Department determine such an agreement is required under HIPAA.

#### **IV. Financial Requirements**

##### **A. Operating Advance**

An operating advance may be requested by the Contractor to assist with program operations. The request should be addressed to the Contract Manager identified in Part I, Item 8. The operating advance will be administered as follows:

1. The advance amount requested must be reasonable in relationship to the program's requirements, billing cycle, etc.; and in no case may the advance exceed the amount required for 60 days operating expense. Operating advances will be monitored and adjusted by the Department according to total Department agreement amount.
2. The advance must be recorded as an account payable to the Department in the Contractor's financial records. The operating advance payable must remain in the Contractor's financial records until fully recovered by the Department.
3. The monthly Financial Status Report (FSR) reimbursement for actual expenditures by the Department should be used by the Contractor to replenish the operating advance used for program operations.
4. The advance must be returned to the Department within 30 days of the end date of this agreement unless the Contractor has a recurring agreement with the Department, and may not be held pending agreement audit. Subsequent Department agreements may be withheld pending recovery of the outstanding advance from a prior agreement. If the Contractor has a recurring agreement with the Department, the Department requires an annual confirmation of the outstanding operating advance.

The Department may obtain the Michigan Department of Treasury's assistance in collecting outstanding operating advances. The Department will comply with the Michigan Department of Treasury's Due Process procedures prior to forwarding claims to Treasury. Specific Due Process procedures include the following:

- a. Department offer of a hearing to dispute the debt, identifying the time, place and date of such hearing.
- b. A hearing by an impartial official.
- c. An opportunity for the Contractor to examine department's associated records.
- d. An opportunity for the Contractor to present evidence in person or in writing.
- e. A hearing official with full authority to correct errors and make a decision not to forward debt to Treasury.
- f. Contractor representation by an attorney and presentation of witnesses if necessary.

5. At the end of either the agreement period or Department's fiscal year, whichever is first, the Contractor must respond to the Department's request for confirmation of the operating advance. Failure to respond to the confirmation request may result in the Department recovering all or part of an outstanding operating advance.

**B. Reimbursement Method**

The Contractor will be reimbursed in accordance with the staffing grant reimbursement method as follows:

Reimbursement from the Department is based on the understanding that Department funds will be paid up to the total Department allocation as agreed to in the approved budget. Department funds are first source after the application of fees and earmarked sources unless a specific local match condition exists.

**C. Financial Status Report Submission**

Financial Status Reports (FSRs) shall be prepared and submitted to:

Michigan Department of Community Health,  
Bureau of Finance  
Accounting Division, Expenditure Operations Section,  
P.O. Box 30720, Lansing, Michigan 48910

FSRs must be submitted on a monthly basis, no later than thirty (30) days after the close of each calendar month. The monthly FSRs must reflect total actual program expenditures, regardless of the source of funds. Attachment D contains the FSR form. The FSR form and instructions for completing the FSR form are available through your Contract Manager or the Department's web site:

- [http://www.michigan.gov/documents/DCH-0384-Financial\\_Status\\_Report\\_8214\\_7.pdf](http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_8214_7.pdf) and
- [http://www.michigan.gov/documents/DCH-0384-Financial\\_Status\\_Report\\_Instructions\\_8216\\_7.pdf](http://www.michigan.gov/documents/DCH-0384-Financial_Status_Report_Instructions_8216_7.pdf).

Failure to meet financial reporting responsibilities as identified in this agreement may result in withholding future payments.

**D. Reimbursement Mechanism**

All contractors must sign up through the on-line vendor registration process to receive all State of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits, as mandated by PA 533 of 2004. Vendor registration information is available through the Department of Management and Budget's web site:

- <http://michigan.gov/cpexpress>

**E. Final Obligations and Financial Status Report Requirements**

1. Preliminary Close Out Report

A Preliminary Close Out Report, based on annual guidelines, must be submitted by the due date using the format provided by the Department's Accounting Division. The Contractor must provide an estimate of total

expenditures for the entire agreement period. The information on the report will be used to record the Department's year-end accounts payables and receivables for this agreement.

2. **Final FSRs**

Final FSRs are due sixty (60) days following the end of the fiscal year or agreement period. The final FSR must be clearly marked "Final". Final FSRs not received by the due date may result in the loss of funding requested on the Preliminary Close Out Report and may result in the potential reduction in the subsequent year's agreement amount.

**F. Unobligated Funds**

Any unobligated balance of funds held by the Contractor at the end of the agreement period will be returned to the Department or treated in accordance with instructions provided by the Department.

**V. Agreement Termination**

The Department may cancel this agreement without further liability or penalty to the Department for any of the following reasons:

- A. This agreement may be terminated by either party by giving thirty (30) days written notice to the other party stating the reasons for termination and the effective date.
- B. This agreement may be terminated on thirty (30) days prior written notice upon the failure of either party to carry out the terms and conditions of this agreement, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the thirty (30) day period.
- C. This agreement may be terminated immediately if the Contractor or an official of the Contractor or an owner is convicted of any activity referenced in Section III.D. of this agreement during the term of this agreement or any extension thereof.

**VI. Final Reporting Upon Termination**

Should this agreement be terminated by either party, within thirty (30) days after the termination, the Contractor shall provide the Department with all financial, performance and other reports required as a condition of this agreement. The Department will make payments to the Contractor for allowable reimbursable costs not covered by previous payments or other state or federal programs. The Contractor shall immediately refund to the Department any funds not authorized for use and any payments or funds advanced to the Contractor in excess of allowable reimbursable expenditures. Any dispute arising as a result of this agreement shall be resolved in the State of Michigan.

**VII. Severability**

If any provision of this agreement or any provision of any document attached to or incorporated by reference is waived or held to be invalid, such waiver or invalidity shall not affect other provisions of this agreement.

**VIII. Amendments**

Any changes to this agreement will be valid only if made in writing and accepted by all parties to this agreement. Any change proposed by the Contractor which would affect the Department funding of any project, in whole or in part in Part I, Section 2.C. of the agreement, must be submitted in writing to the Department for approval immediately upon determining the need for such change.

**IX. Liability**

- A.** All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as direct service delivery, to be carried out by the Contractor in the performance of this agreement shall be the responsibility of the Contractor, and not the responsibility of the Department, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of the Contractor, any subcontractor, anyone directly or indirectly employed by the Contractor, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Contractor or its employees by statute or court decisions.
- B.** All liability to third parties, loss, or damage as a result of claims, demands, costs, or judgments arising out of activities, such as the provision of policy and procedural direction, to be carried out by the Department in the performance of this agreement shall be the responsibility of the Department, and not the responsibility of the Contractor, if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any Department employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies (the Department) or employees as provided by statute or court decisions.
- C.** In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by the Contractor and the Department in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by the Contractor and the Department in relation to each party's responsibilities under these joint activities, provided that nothing herein shall be construed as a waiver of any governmental immunity by the Contractor, the State, its agencies (the Department) or their employees, respectively, as provided by statute or court decisions.

**X. Conflict of Interest**

The Contractor and the Department are subject to the provisions of 1968 PA 317, as amended, MCL 15.321 et seq, MSA 4.1700(51) et seq, and 1973 PA 196, as amended, MCL 15.341 et seq, MSA 4.1700 (71) et seq.

**XI. State of Michigan Agreement**

This is a State of Michigan Agreement and is governed by the laws of Michigan. Any dispute arising as a result of this agreement shall be resolved in the State of Michigan.

**XII. Confidentiality**

Both the Department and the Contractor shall assure that medical services to and information contained in medical records of persons served under this agreement, or other such recorded information required to be held confidential by federal or state law, rule or regulation, in connection with the provision of services or other activity under this agreement shall be privileged communication, shall be held confidential, and shall not be divulged without the written consent of either the patient or a person responsible for the patient, except as may be otherwise permitted or required by applicable state or federal law or regulation. Such information may be disclosed in summary, statistical, or other form, which does not directly or indirectly identify particular individuals.

**ATTACHMENT A**

**STATEMENT OF WORK**

**Prosecutor – Victim Rights Programs**

1. Responsibilities – Contractor

Through acceptance of this grant the Contractor agrees to the following:

- A. It shall establish procedures and develop budgetary and training criteria to implement the requirements of the William Van Regenmorter, Crime Victim Rights Act, PA 87 of 1985 (hereafter referred to as “the Act”).
- B. It shall perform duties required to implement the Act.
- C. It shall annually review its personnel and procedures to confirm its compliance with the Act.
- D. It shall provide the Department with monitoring, budgetary and planning information as requested.
- E. It shall assure that disbursements received through this grant do not supplant other funds available for services to victims of crime or are used to supplant funding for activities historically funded locally or through other means.
- F. It shall assure that expenditures shall only be made for the purpose of providing those services required by the, the Act (MCL 780.751 to 780.834) or as approved by the Department.
- G. It shall maintain adequate program and fiscal records and files including source documentation to support program activities and all expenditures made under the terms of this agreement.



PROGRAM BUDGET – COST DETAIL SCHEDULE

MICHIGAN DEPARTMENT OF COMMUNITY HEALTH

View at 100% or Larger  
Use WHOLE DOLLARS Only

<b>PROGRAM</b> Crime Victim Services Commission		<b>BUDGET PERIOD</b>		<b>DATE PREPARED</b>
		From: 10/01/2009	To: 09/30/2010	8/4/2009
<b>CONTRACTOR NAME</b> County of Calhoun - Prosecutor's Office		<b>BUDGET AGREEMENT</b>		<b>AMENDMENT #</b>
		<input checked="" type="checkbox"/> ORIGINAL <input type="checkbox"/> AMENDMENT		
<b>1. SALARY &amp; WAGES</b>	<b>POSITION DESCRIPTION</b>	<b>COMMENTS</b>	<b>POSITIONS REQUIRED</b>	<b>TOTAL SALARY</b>
	Kimberly A. Bachman, Victim Services Secretary		1	25688
	Stephanie J. Edwards, Victim Services, Director		1	39342
	Nora J. Geiger, Victim Services Assistant		1	35739
	Michelle J. Matson, Victim Services Assistant		1	32422
				0
				0
				0
<b>1. TOTAL SALARIES &amp; WAGES:</b>			<b>4</b>	<b>133191</b>
<b>2. FRINGE BENEFITS (Specify)</b>				
<input type="checkbox"/> FICA <input type="checkbox"/> LIFE INS. <input type="checkbox"/> DENTAL INS.                      COMPOSITE RATE <input type="checkbox"/> UNEMPLOY INS. <input type="checkbox"/> VISION INS. <input type="checkbox"/> WORK COMP.                      AMOUNT 0.00% <input type="checkbox"/> RETIREMENT <input type="checkbox"/> HEARING INS. <input type="checkbox"/> HOSPITAL INS. <input type="checkbox"/> OTHER (specify) ____				
<b>2. TOTAL FRINGE BENEFITS:</b>				<b>\$0</b>
<b>3. TRAVEL (Specify if category exceeds 10% of Total Expenditures)</b>				
<b>3 TOTAL TRAVEL:</b>				<b>\$1</b>
<b>4. SUPPLIES &amp; MATERIALS (Specify if category exceeds 10% of Total Expenditures)</b>				
<b>4. TOTAL SUPPLIES &amp; MATERIALS:</b>				<b>\$2</b>
<b>5. CONTRACTUAL (Specify Subcontracts/Subrecipients)</b>				
<u>Name</u>	<u>Address</u>	<u>Amount</u>		
<b>5. TOTAL CONTRACTUAL:</b>				<b>\$0</b>
<b>6. EQUIPMENT (Specify items)</b>				
<b>6. TOTAL EQUIPMENT:</b>				<b>\$0</b>
<b>7. OTHER EXPENSES (Specify if category exceeds 10% of Total Expenditures)</b>				
<b>7. TOTAL OTHER:</b>				<b>\$6</b>
<b>8. TOTAL DIRECT EXPENDITURES (Sum of Totals 1-7)</b>			<b>8. TOTAL DIRECT EXPENDITURES:</b>	<b>\$133,200</b>
<b>9. INDIRECT COST CALCULATIONS</b>				
Rate #1: Base \$0 X Rate 0.0000 % Total				\$ 0
Rate #2: Base \$0 X Rate 0.0000 % Total				\$ 0
<b>9. TOTAL INDIRECT EXPENDITURES:</b>				<b>\$ 0</b>
<b>10. TOTAL EXPENDITURES (Sum of lines 8-9)</b>			<b>\$133200</b>	

**ATTACHMENT C**

**PERFORMANCE/PROGRESS REPORT REQUIREMENTS**

**Prosecutor – Victim Rights Programs**

- A. The Contractor shall submit the following reports on the following dates:

Quarterly Financial & Program Reports should be submitted by the contractor on the 30<sup>th</sup> day following the end of the quarter. Reports are available on the internet at <https://sigmaweb.mdch.state.mi.us>. Reports should be completed and submitted to the CVSC via the internet. Due dates for submission of Quarterly Financial & Program Report are as follows:

January 30, 2010

April 30, 2010

July 30, 2010

October 30, 2010

Program Report/Case Synopsis is to be submitted annually with the April-June quarter on the form provided via <https://sigmaweb.mdch.state.mi.us>.

- B. Any such other information as specified in Attachment A shall be developed and submitted by the Contractor as required by the Contract Manager.
- C. Reports and information shall be submitted to the Department of Community Health, Crime Victim Services Commission via the website, <https://sigmaweb.mdch.state.mi.us>.\*
- \*These instructions, supercede directions in the General Provisions, Section IV, C., entitled Financial Status Report Submission.*
- D. The Contract Manager shall evaluate the reports submitted as described in A. and B. above for their completeness and accuracy.
- E. The Contractor shall permit the Department or its designee to visit and to make an evaluation of the project as determined by the Contract Manager.

**ATTACHMENT D**

**FINAL EXPENDITURE REPORT**

- A. The contractor shall submit the Final Expenditure Report sixty (60) days following the end of the fiscal year. Final Expenditure Reports are available on the internet at <https://sigmaweb.mdch.state.mi.us>. Final Expenditure Reports should be completed and submitted to the Crime Victim Services Commission via the internet. The due date for submission of the Final Expenditure Report is as follows:

November 30, 2010

- B. Final Expenditure Reports not received by the due date may result in a loss of funding requested per the report of total agreement expenditures and may result in the potential reduction in subsequent year's agreement amount.

## ATTACHMENT E

### OTHER PROGRAM SPECIFIC REQUIREMENTS

#### **Prosecutor – Victim Rights Programs**

- I. Description of Other Program Specific Requirements.
  - A. Overtime costs are not permitted for employees funded by this agreement.
  - B. Travel funding is provided exclusively for authorized PACC/PAAM trainings and conferences sponsored by the Department.
  - C. The contractor shall complete and submit all required reports to the Department to assure continued funding.
  - D. Personnel funded under this agreement shall attend an annual victim rights training opportunity supported by the Department.
  - E. The contractor shall provide the Department with a position description of the personnel funded under this agreement.
  - F. Personnel supported under this agreement or performing work under this agreement shall maintain a funding distribution timesheet as required in the CVSC, January 2003, Program Instruction regarding timesheets.
  - G. Internal controls should be established to assure that positions funded through the Crime Victim Rights grant dedicate the designated percentage of time that is reflected in the contract to reimbursable Victim Rights activities. Victim Rights duties and activities are those activities that are statutorily created and mandated by the William Van Regenmorter, Crime Victim Rights Act, P.A. 87 of 1985 and Article 1, Section 24 of the Michigan Constitution. Crime Victim Rights Funding is not to be used to support routine Prosecutor responsibilities that existed prior to the enactment of the William Van Regenmorter, Crime Victim Rights Act and Article 1, section 24, of the Michigan Constitution. Some examples of nonreimbursable routine Prosecutor Office activities are, witness management, subpoenas, dockets, pleadings, warrants, restitution collection & management, closing cases and police reports.
  - H. Crime Victim Rights Week Funding, as distributed by the Prosecuting Attorney's Association of Michigan, is to be used to promote public awareness and educational opportunities concerning Victim Rights within the communities that we serve, key audience being, members of the community at large, schools and community groups. Keepsakes, souvenirs or gifts purchased in commemoration of Victim Rights Week shall be distributed in conjunction with planned community events to the general public not to prosecutor staff or elected officials.

*September 3, 2009*

## **12.A. (3)**

RESOLVED, that the Calhoun County Board of Commissioners award the bid {RFP #107-09} for the provision of office supplies to all county departments to Staples Business Advantage; further, authorize the Board Chairman to execute a five {5} year Agreement with Staples Business Advantage in an amount approximated at \$750,000 on behalf of Calhoun County.



# Calhoun County Purchasing Department

*"Building A Better County Through Responsive Leadership"*

315 West Green Street  
Marshall, MI 49068  
269/781-0991 (Voice)  
269/781-0140 (Fax)

Bradley J. Wilcox  
Assistant County Administrator

TO: Board of Commissioners

FROM: Katie J. Kelly, Administrative Services, Administrative Assistant

DATE: September 3, 2009

RE: Office Supplies Inventory System; RFP #107-09

AUG 26 RECD  
2009

## ***RECOMMENDED COUNTY COMMISSION ACTION***

County Commission approval is recommended for an agreement with Staples Business Advantage to provide an Office Supply Inventory System for all Calhoun County Departments. The Purchasing Department requests the approval of the Board of Commissioners to authorize the Board Chairperson to execute a five year contract with Staples for an amount estimated at \$750,000.

## ***BACKGROUND***

On June 17, 2009, formal bids were issued for an Office Supply Inventory System in anticipation of expiration of the County's current agreement with Staples Business Advantage. The three responsive proposals (Office Max, Staples, Integrity Business Solutions) received in response to RFP# 107-09 were reviewed by an evaluation committee representing four County Departments (Administrative Services, District Court, the Health Department and Purchasing). Staples Business Advantage was the unanimous selection as the most responsible proposal to the County solicitation for an Office Supply System.

Staples, Inc. pioneered the office products superstore concept by opening its first store in May 1986. Staples is currently the fastest growing office products retailer in North America, operating over 500 store locations and delivery facilities in over 100 markets throughout the United States and Canada. Staples operates a local retail outlet in Battle Creek.

## **Highlights of Proposal**

Staples was the unanimous selection of the Evaluation Committee as the most responsible vendor. The following are some of the opportunities available as a result of Staple's proposal;

- ▶ Stockless inventory- next day delivery guaranteed (99% in-stock service level)
- ▶ Free delivery to the desk of County personnel
- ▶ Web-based order system
- ▶ Extensive assortment of web-based reporting formats
- ▶ Consolidated monthly billing (only one bill per month for OFS)
- ▶ Convenience Cards for contract purchases at local store in emergency
- ▶ Competitive contract pricing of approximately 500 core office supply items and 50% off list price of catalog non-core items.
- ▶ Recycling programs to help expand efforts beyond traditional recycling such as earth friendly product categories ("Environmentally Preferable Products"), free toner and ink cartridge recycling and using minimal, as well as recyclable, packaging/shipping materials.

## ***ALTERNATIVES***

The County could return to a decentralized method of purchasing office supplies where departments independently make decisions on suppliers, products and pricing for supplies. This approach would neutralize the County's leverage available through the consolidation and commitment of its office supply requirements. Decentralization would also increase redundancy in purchases and payables, eliminate the ability of the County to standardize on products, and reduce the ability for controls and reporting of office purchases.

## ***BUDGETARY/STAFFING IMPACTS***

The office supply expenses, budgeted at the current levels within all departments, should be adequate to support the Office Supply Inventory System as offered by Staples based on the proposed pricing structure. Based on previous years and budgets for office supplies for the entire County, is an estimated amount of \$150,000 spent per year. This amount incurred over a five year period results in a total cost of approximately \$750,000.

## ***SUMMARY***

The Administrative Services Department requests the Board of Commissioners to authorize the Board Chairperson to execute a five year contract with Staples Business Advantage for the provision of Office Supplies in an amount approximated at \$750,000 over the five year period.

**BID RESULTS SUMMARY**

<b>Project:</b>	Office Supply Inventory	<b>Date:</b>	July 14, 2009
<b>Bidders Solicited:</b>	Seventeen (17)	<b>Bidders Responding:</b>	Four (4)
<b>Bid Reference #:</b>	RFP #107-09	<b>Approval Required:</b>	Board of Comm
<b>Bid Issue Date:</b>	June 17, 12009	<b>Funding Source:</b>	Department
<b>Requesting Department:</b>	Purchasing	<b>Action Requested:</b>	Contract Approval
<b>Estimated Projected Cost:</b>	\$750,000	<b>Bid Amount:</b>	Approx. \$750,000

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<b><u>BIDDER</u></b>	<b><u>BID</u></b>	<b><u>LOCATION</u></b>
The Cartridge Doctor	Non-Responsive	Battle Creek, MI (All Services)
Integrity Business Solutions	Responsive Bid	Kalamazoo, MI (Rep); Kalamazoo, MI (Drivers); Grand Rapids, MI (Distribution Center)
Office Max	Responsive Bid	Portage, MI (Rep); Battle Creek, MI (Retail Store); Warren, MI (Distribution Center)
Staples Business Advantage	Responsive Bid	Novi, MI (Rep); Holt, MI (Drivers); Battle Creek, MI (Retail Store); London, OH (Distribution Center)

pc; Katherine Miller, District Court  
Brigette Reichenbaugh, Health Department  
Leslie Obrig, Purchasing  
Bradley Wilcox, Administration

***ATTACHMENT C***

**CONTRACT**

THIS AGREEMENT, made and entered into this 30 Day of JUNE, 2009,  
by and between the County of Calhoun, Michigan, (hereinafter called the "County")  
and STAPLES, (hereinafter called the "Contractor").

**WITNESSETH**

WHEREAS, the contractor did on the 14th Day of June, 2009,  
submit a Bid Proposal to provide *Office Supplies* as may be incidental thereto or as  
described in *Office Supply Inventory System RFP#107-09*.

NOW, THEREFORE, in consideration of the following mutual agreements and  
covenants, it is understood and agreed upon by and between the parties hereto as follows:

- The Contractor shall furnish the following Contract Documents, all of which shall be incorporated as part of the agreement between the parties as fully as if set forth herein:
  - The Request For Proposal **RFP#107-09**.
  - The Contractor's Bid Proposal
  - This Instrument
  - Any supplements or changes to the foregoing agreed to by the parties hereto including addendums
  - Insurance Forms
- All provisions of the Contract Documents shall be strictly compiled with and conformed to by the Contractor, and no substitutions or change in said specifications shall be made except upon written consent or written direction of the Purchasing Agent for the County. Any such substitution or change shall in no manner be construed to release either party from any specified or implied obligation of the aforesaid Contract Documents except as specifically provided for in such consent.
- This Contract is entered into subject to the following conditions:
  - (a) The Contractor shall procure and keep in full force and effect throughout the terms of this contract all of the insurance policies specified in, and required by, the

Contract Documents.

- (b) The Contractor shall not be liable for the failure to wholly perform the stated duties if such failure is caused by a natural catastrophe, riot, war, government order or regulation, or Act of God.
- (c) The contractor agrees to abide by the provisions of the Elliott-Larsen Civil Rights Act, P.A. 1976, No. 453, as amended, being sections 37.2101 et seq. of the Michigan Compiled Laws, and the Michigan Persons With Disabilities Civil Rights Act, P.A. 1976, No. 220, as amended, being sections 37.1101 et seq. of the Michigan Compiled Laws, and specifically agrees and covenants not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or a handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of this covenant shall be regarded as a material breach of the contract.
- (d) In the case of a conflict between the Contractor, RFP, Addendum, and Bid; the RFP and Addendum shall be the prevailing documents.
- (e) The terms and conditions contained within the Contract Documents are governed by the laws of Michigan. In the event of a dispute the laws of Michigan will be used to resolve the dispute.

IN WITNESS WHEREOF, we, the contracting parties by our representative duly authorized agents, hereto affix our signatures and seals this 30 day of June, 2009.

COUNTY OF CALHOUN, MICHIGAN

ATTEST:

\_\_\_\_\_

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_

CONTRACTOR

ATTEST:

BY: *David Stinson*

TITLE: *Regional Vice President*

*September 3, 2009*

## **12.A. (4)**

RESOLVED, that the Calhoun County Board of Commissioners award the bid {RFP #108-09} for the provision of general contracting services for the construction of the 9-1-1 Consolidated Dispatch Center located within the Calhoun County Building to Schweitzer Inc. of Battle Creek in the amount of \$604,000 to be charged to the Calhoun County Consolidated Dispatch Center Authority budget.



# Calhoun County

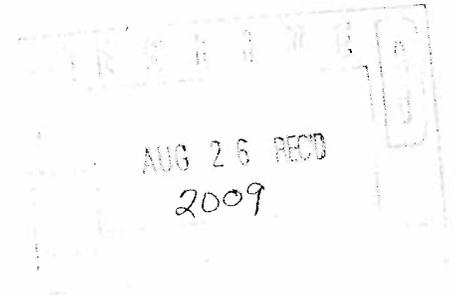
## Administrative Services Department

"Building A Better County Through Responsive Leadership"

315 West Green Street  
Marshall, MI 49068  
269/781-0815 (Voice)  
269/781-0140 (Fax)

Bradley J. Wilcox  
Administrative Services Director

**TO:** Calhoun County Board of Commissioners  
**FROM:** Brad Wilcox, Assistant County Administrator  
**DATE:** September 3, 2009  
**RE:** 911 Dispatch Center Renovation- RFP#108-09



### ***RECOMMENDED COUNTY COMMISSION ACTION***

County Commission approval is recommended for a contract with Schweitzer Inc. to provide general contracting services for the construction of the consolidated 911 dispatch center in the County Building, Marshall, in the amount of \$604,000.

### ***BACKGROUND***

In June of 2009, through the Lease Agreement With New Consolidation approved by the Board of Commissioners and the Calhoun County Consolidated Dispatch Governing Board (CCDA), County Administration was authorized to act as the project manager for the renovation of the County Building for the purpose of leasing the space back to the CCDA for the operation of a consolidated 911 dispatch center. The County contracted with architect Randy Case of Architect + Design to develop plan designs which were reviewed by the Consolidated Dispatch Technical Committee and approved by the CCDA.

Based on the approved construction plans and a project budget of \$800,000, the County Purchasing Department issued a request for proposals for the construction of the consolidated 911 dispatch center. The Purchasing Department received seven proposals from general contractors in response to the RFP. Following the public bid opening, the proposals were reviewed by County Administration and the architect in order to select a short list of four general contractors for further consideration of a bid award. The short listed contractors were required to submit additional information so that due diligence could be performed in order to provide a consistent and equitable comparison of proposals submitted in response to RFP#108-09. A weighted evaluation matrix was developed using criteria such as; the base bid amount, use of local labor, references on other construction projects, contractor qualifications and construction schedule.

Following further evaluation of proposals by the project manager (Brad Wilcox) and the 911 Dispatch Director (Jeff Troyer), Schweitzer Inc. was selected as the most responsible general contractor for the construction of the consolidated 911 dispatch center. Schweitzer, which is located in Battle Creek, has been providing general contracting activities in SW Michigan for over 40 years. The \$10 million in annual construction projects completed by Schweitzer included strong references provided by owner representatives on projects for Battle Creek Public Schools and Kellogg Community College. Based on the local labor plan submitted by Schweitzer, twenty-nine workers for Schweitzer and its primary subcontractors reside in Calhoun County, which represents 81% of the total workforce assigned to the project. Although Schweitzer was 3.5% higher than the apparent low bidder it was recommended for contract award based on its competitive base bid, strong references and use of local labor. The CCDA Board has approved the recommendation of the project manager to award the construction contract to Schweitzer.

### ***BUDGETARY/STAFFING IMPACTS***

The cost of construction which is projected at \$604,000 will be charged to the CCDA budget.

### ***SUMMARY***

As a result of the evaluation of submitted proposals, the Purchasing Department recommends Schweitzer Inc., for the award of a general construction contract in the amount of \$604,000 for the construction of the consolidated 911 dispatch center in the County Building, Marshall.

pc; Kelli Scott, County Administrator / Controller  
Frank Peterson, Chairman 911 Consolidated Dispatch Governing Board  
Jeff Troyer, 911 Dispatch Director

## BID RESULTS SUMMARY

<b>Project:</b>	911 Dispatch Center	<b>Date:</b> September 3, 2009
<b>Bidders Solicited:</b>	Const. Plan Rooms	<b>Bidders Responding:</b> nine (9)
<b>Bid Reference #:</b>	RFP #108-09	<b>Approval Required:</b> Board of Comm.
<b>Bid Issue Date:</b>	July 6, 2009	<b>Funding Source:</b> CCDA
<b>Requesting Department:</b>	CCDA Board	<b>Action Requested:</b> Contract Approval
<b>Estimated Project Cost:</b>	\$800,000	<b>Bid Amount:</b> \$604,000

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### **CONTRACTORS:**

Cornerstone Construction Mgt Inc, Portage	\$623,500
CSM, Kalamazoo	\$616,310
HBC Contracting, Lansing	\$675,000
MAVCON; Kalamazoo	\$582,386
Maxwell & Associates Inc., Galesburg	\$669,000
Moore Trospen Construction Co Inc., Holt	\$634,000
Pleune Service Co Inc., Grand Rapids	\$116,000 (non-responsive)
Schweitzer Inc., Battle Creek	\$604,000