

**STATE COURT ADMINISTRATIVE OFFICE
MENTAL HEALTH SERVICES FOR DRUG COURT PARTICIPANTS
FY 2011
GRANT CONTRACT**

SCAO Contract Number SCAO-2011-091	Start Date: 10/01/10 End Date: 09/30/11
Grantee Name (hereinafter referred to as "Grantee") 15th District Court - DWI Drug Treatment Court	
Federal ID Number 38-6004534	
Grant Amount \$95,000	

The Mental Health Services for Drug Court Participants (MHSDCP) grant program is administered by the State Court Administrative Office (SCAO) to provide local drug treatment court programs funding for mental health services. Funding for the MHSDCP grant is provided by an interdepartmental agreement (IDG) between the Michigan Department of Corrections and the Michigan Supreme Court State Court Administrative Office.

Grant awards are based on Grantee's agreement to comply with the policies and procedures set forth in the application, including the administrative requirements for the program, and this contract.

1. Contract

This contract incorporates Grantee's final approved budget.

2. Contract Administration

The State Court Administrator or his agent shall have full authority to act for the grantor in the administration of this contract consistent with the following provisions.

3. Term of Contract

This contract shall be effective upon the signature of the Deputy State Court Administrator, the signature of Grantee's authorizing official, and the chief judge. The contract shall commence October 1, 2010, and shall terminate on September 30, 2011, unless terminated earlier according to provisions in Section 20. Funding under this contract does not guarantee future funding from the MHSDCP grant program.

4. Contract Funding

Upon approval of Grantee's application and signing of this contract, SCAO agrees to provide funding from the MHSDCP grant program in an amount not to exceed the amount of the grant contract. In no event does this contract create a charge against any other funds of SCAO or the Michigan Supreme Court.

5. Conduct of the Project

- A. Grantee shall abide by all terms and conditions required by the application, budget requirements, and Grantee's approved program outline and budget. Grantee must obtain prior approval from SCAO before any program changes or budget adjustments exceeding \$1,000 are implemented during the grant period.
- B. Grantee shall comply with all applicable federal, state, and local laws, rules, and regulations.
- C. Grantee agrees that funds awarded under this grant will not be used to support any inherently religious activities, such as worship, religious instruction, or proselytizing. If Grantee refers participants to, or provides, a non-federally funded program or service that incorporates such religious activities: (1) any such activities must be voluntary for program participants, and (2) program participants may not be excluded from participation in a program or otherwise penalized or disadvantaged for any failure to accept a referral or services. If participation in a nonfederally funded program or service that incorporates inherently religious activities is deemed a critical treatment or support service for program participants, Grantee agrees to identify and refer participants who object to the inherently religious activities of such program or service to a comparable secular alternative program or service.

6. Assignments and Subcontracts

All provisions and requirements of this contract shall apply to any subcontracts or agreements Grantee may enter into in furtherance of its obligations under this contract.

Grantee shall provide copies of all subcontracts for services funded in whole or in part by this grant to SCAO for review prior to entering into a subcontract agreement and shall be responsible for the performance of any subcontractor.

7. *Human Subjects*

Grantee must submit all research involving human subjects conducted in programs sponsored by SCAO, or in programs that receive funding from or through the state of Michigan, to the Michigan Department of Community Health's (MDCH) Institutional Review Board (IRB) for approval prior to the initiation of the research.

8. *Confidentiality*

Both SCAO and Grantee shall assure that medical services to, and information contained in the medical records of, persons served under the provisions of this contract, 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 remain confidential. Such information 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 required by applicable law or regulation. Such information may be disclosed in summary, statistical, or other form, if the disclosure does not directly or indirectly identify particular individuals.

9. *Health Insurance Portability and Accountability Act, 42 CFR Part 2, and Michigan Mental Health Code*

Grantee assures that it is in compliance with the Health Insurance Portability and Accountability Act (HIPAA), 42 CFR Part 2, and applicable confidentiality provisions of the Michigan Mental Health Code, to the extent that this act and these regulations are pertinent to the services that Grantee provides under this contract. These requirements include:

- A. Grantee must not share any protected health or other protected data and information provided by SCAO or any other source that falls within HIPAA, 42 CFR Part 2, and/or the Michigan Mental Health Code requirements, except to a subcontractor as appropriate under this contract.
- B. Grantee must require, in the terms and conditions of the subcontract that a subcontractor not share any protected health or other protected data and information from SCAO or any other source that falls under HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements.
- C. Grantee must use protected data and information only for the purposes of this contract.
- D. Grantee must have written policies and procedures addressing the use of protected data and information that falls under HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements. The policies and procedures must meet all applicable federal and state requirements including HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code regulations. These policies and

procedures must include restricting access to the protected data and information by the Grantee's employees.

- D. Grantee must have a policy and procedure to report to SCAO unauthorized use or disclosure of protected data and information that falls under the HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements of which Grantee becomes aware.
- E. Failure to comply with any of these contractual requirements may result in the termination of this contract in accordance with Section 20.
- F. In accordance with HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements, Grantee is liable for any claim, loss, or damage relating to its unauthorized use or disclosure of protected data and information received by Grantee from SCAO or any other source.

10. *Independent Contractor Status*

- A. Both parties to this contract will be acting in an independent capacity and not as an agent, employee, partner, joint venturer, or associate of one another. The employees or agents of one party shall not be deemed or construed to be the agents or employees of the other party for any purpose.
- B. Grantee understands and agrees that all persons furnishing services pursuant to this contract are, for purposes of workers' compensation liability or other actions of employee-related liability, not employees of SCAO or the Michigan Supreme Court. Grantee bears the sole responsibility and liability for furnishing workers' compensation benefits to any of its employees for injuries arising from or connected with services performed pursuant to this contract.

11. *Liability*

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 Grantee in the performance of this contract shall be the responsibility of Grantee, and not the responsibility of SCAO or the Michigan Supreme Court, if the liability, loss, or damage is caused by, or arises out of, the actions or failure to act on the part of Grantee, any subcontractor, or anyone directly or indirectly employed by Grantee, or any subcontractor, provided that nothing herein shall be construed as a waiver of the governmental immunity that has been provided to Grantee or its employees by statute or court decision.

12. *Debarment and Suspension*

Grantee may not contract with or make any award of the MHSDCP grant program funds at any time to any party that has been debarred or suspended or is otherwise excluded from, or ineligible for, participation in federal assistance programs under Executive Order 12549, "Debarment and Suspension."

13. Acquisition, Accounting, Recordkeeping, and Inspection

- A. Grantee agrees that all expenditures from this contract, including the acquisition of personnel services, contractual services, and supplies, shall be in accordance with: (1) the standard procedures of Grantee's unit of government, and (2) the administrative and budget requirements of the MHSDCP grant program.
- B. Grantee agrees to maintain accounting records following generally-accepted accounting principles for the expenditure of funds for the purposes identified in the final approved budget and any applicable approved contract addendum and/or budget amendment.
- C. Grantee agrees that the Michigan Supreme Court, SCAO, the local government audit division of the Michigan Department of Treasury, the State Auditor General, or any of their duly authorized representatives, including program evaluators and auditors, shall have access to and the right to examine, audit, excerpt, copy, or transcribe any pertinent transaction, books, accounts, data, time cards, or other records related to this contract. Grantee shall retain all books and records, including all pertinent cost reports, accounting and financial records, or other documents related to this contract, for five years after final payment at Grantee's cost. Federal and/or state auditors, and any persons duly authorized by SCAO, shall have full access to and the right to examine and audit any of the materials during the term of this contract and for five years after final payment. If an audit is initiated before the expiration of the five-year period, and extends past that period, all documents shall be maintained until the audit is complete. SCAO shall provide audit findings and recommendations to Grantee. SCAO may adjust future or final payments if the findings of the audit indicate over- or under-payment to Grantee for the period audited, subject to the availability of funds for such purposes. If an audit discloses an overpayment to Grantee, Grantee shall immediately refund all amounts that may be due SCAO. Failure of Grantee to comply with the requirements of this section shall constitute a material breach of this contract upon which SCAO may cancel, terminate, or suspend this contract.
- D. Grantee's accounting system must maintain a separate fund or account that segregates MHSDCP grant program contract receipts and expenditures from other receipts and expenditures of Grantee.

14. Accountability for Michigan Mental Health Court Grant Program Funds

Grantee agrees that it will not expend funds obtained under this contract for any purpose other than those authorized in the administrative requirements specified in the application and revised approved budget for the MHSDCP grant program, and will expend grant funds only during the period covered by this contract unless prior written approval is received from SCAO.

15. Program Review and Monitoring

Grantee shall give SCAO and any of its authorized agents' access to the drug treatment court at any reasonable time to evaluate, audit, inspect, observe, and monitor the operation of the program. The inspection methods that may be used include, but are not limited to, onsite visits, interviews of staff and drug court participants, and review of case

records, receipts, monthly/quarterly statistical reports, and fiscal records.

16. **Reports**

Grantee agrees to provide reports as identified in the application and administrative requirements for the MHSDCP grant program to SCAO as follows:

- A. **Financial Reports:** Financial Reports are due on January 20, April 20, July 20, and October 10 of 2011. SCAO will provide copies of the financial report forms.
- B. **Program Progress Reports:** Program Progress Reports are due on April 30 and October 30 of 2011. SCAO will provide copies of the program progress report forms.
- C. **DCCMIS Data Reports:** Data Validation Reports are due on February 15, May 15, August 15, and November 15 of 2011. If requested by SCAO, a Data Exception Report will be due on February 15, May 15, August 15, and November 15 of 2011. SCAO will provide copies of the DCCMIS data report forms.
- D. **DCCMIS Audit Report:** An annual DCCMIS User Audit Report is due on January 29, 2011. SCAO will provide copies of the DCCMIS audit report form.
- E. **DCCMIS Data Collection Requirement:** A mental health disorder DSM-IV code and mental health treatment information must be entered into DCCMIS for all participants receiving funds from this grant, retroactive to October 1, 2010.
- F. **Reporting Compliance:** Grantee is responsible for the timely submission of each required report and data as outlined in sections A, B, C and D above. If any report is 30 days past the due date, a delinquency notice will be sent out via e-mail notifying Grantees that it has 15 days to comply with the reporting requirement. Forty-five days past the due date, a forfeiture notice will be sent out to Grantee via the U.S. Postal Service notifying it that its funding award has been rescinded due to contract noncompliance.
- G. **Grant Funding Reallocation:** SCAO retains the right to reallocate grant funding if ongoing progress is not being made toward achieving the program's goals and objectives and/or in the implementation of the mental health court grant project as defined in the approved budget. Reimbursement for grant costs and/or future funding may be withheld or denied if any of the required reports in this section are received 45 days past their due date.

17. **Reimbursement**

- A. Reimbursement from SCAO is based on the understanding that SCAO funds will be paid up to the total SCAO allocation as agreed to in the approved budget.
- B. Grantee shall sign up through the online vendor registration process to receive all state of Michigan payments as Electronic Funds Transfers (EFT)/Direct Deposits. Registration information is available through the Department of Management and Budget's website at: http://www.michigan.gov/budget/0,1607,7-157-13404_37161-179392--,00.html

18. Budget Modification

Adjustments in expenditures up to \$1,000 within line item categories in the approved budget and transfers up to \$1,000 between line item categories in the approved budget may be made without the prior written approval of SCAO. Requests for adjustments in expenditures within line items and between line item categories exceeding \$1,000 must be made using a Contract Adjustment Request form, which can be obtained from SCAO.

19. Funding Hold or Termination

SCAO may place a funding hold on contracted amounts not yet disbursed, or terminate this contract if it concludes that Grantee is not in compliance with the conditions and provisions of this contract, the application and administrative requirements, or the budget requirements of the MHSDCP grant program. SCAO may extend an opportunity for Grantee to demonstrate compliance. Notification of a funding hold or termination will be in writing.

20. Contract Termination

SCAO may cancel this contract without further liability or penalty to SCAO for any of the following reasons:

- A. This contract may be terminated by either party by giving 30 days written notice to the other party stating the reasons for termination and the effective date.
- B. This contract may be terminated with 30 days prior written notice upon the failure of either party to carry out the terms and conditions of this contract, provided the alleged defaulting party is given notice of the alleged breach and fails to cure the default within the 30-day period.
- C. This contract may be terminated immediately if Grantee or an official of Grantee is convicted of any activity referenced in Section 12 of this contract during the term of this contract or any extension thereof.
- D. This contract may be terminated immediately without further financial liability to SCAO if funding for this contract becomes unavailable to SCAO.

21. Conflict of Interest

Grantee and SCAO 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.*

22. State of Michigan Contract

This is a State of Michigan contract, governed by the laws of Michigan, and any litigation arising as a result of this contract shall be resolved in courts of the State of Michigan.

Authorized By:

Dawn Monk
Deputy State Court Administrator

Date

Acceptance by Grantee:

See Inserted Signature Page 8A.

INSERTED SIGNATURE PAGE 8A

CITY OF ANN ARBOR:

By: _____
John Hieftje (Date)
Mayor

By: _____
Jacqueline Beaudry (Date)
City Clerk

APPROVED AS TO FORM & CONTENT:

By: _____
Stephen K. Postema (Date)
City Attorney

APPROVED AS TO SUBSTANCE:

By: _____
Roger W. Fraser (Date)
City Administrator

APPROVED AS TO FORM & CONTENT:

By: _____
Elizabeth Pollard Hines (Date)
Chief Judge Pro Tempore
15th Judicial District Court

APPROVED AS TO FORM:

By: _____
Keith Zeisloft (Date)
Administrator
15th Judicial District Court