

**MICHIGAN SUPREME COURT
STATE COURT ADMINISTRATIVE OFFICE
OFFICE OF HIGHWAY SAFETY PLANNING
2012 GRANT CONTRACT**

State Court Administrative Office (hereinafter referred to as SCAO) Contract Number SCAO-2012-054	Start Date: 10/01/2011 End Date: 9/30/2012
Grantee Name (hereinafter referred to as Grantee) 15th District Court - DWI	
Federal ID Number 38-6004534	Federal Grant Award Number AL-12-02
Grant Amount \$50,000	

State Court Administrative Office & Office of Highway Safety Planning (SCAO/OHSP) awards are based on the Grantee's agreement to comply with the policies and procedures set forth in the application including the assurances and administrative requirements for the program and this contract.

1. **Contract**
This contract incorporates the Grantee's approved grant application request and 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 State Court Administrator or Deputy State Court Administrator, and the signature of the Grantee's authorizing official. The contract shall commence October 1, 2011, and shall terminate on September 30, 2012.
4. **Purpose**
See attachment A for a description of the focus of the program.
5. **Statement of Work**
Grantee agrees to undertake, perform, and complete the services described in Attachment A.
6. **Contract Funding**
Upon approval of the Grantee's application and signing of this contract, SCAO agrees to provide funding from the State Court Administrative Office & Office of Highway Safety Planning 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.
7. **Program Budget and Agreement Amount**
 - A. The Catalog of Federal Domestic Assistance (CFDA) number is 20.601 and the CFDA Title is Alcohol Traffic Safety and Drunk Driving Prevention Incentive Grant; the federal agency name is United States Department of Transportation; the federal grant award number is AL-12-02, and the program title is SCAO OHSP DWI Grant Program. The grant agreement is designated as a subrecipient relationship.

- B. Any Grantee equipment purchases supported in whole or in part through this agreement must be listed in the supporting Equipment Inventory Schedule. Equipment means tangible, nonexpendable, personal property having useful life of more than one (1) year and an acquisition cost of \$5000 or more per unit. Title to items having a unit acquisition cost of less than \$5000 shall vest with Grantee upon acquisition. SCAO reserves the right to retain or transfer the title to all items of equipment having a unit acquisition cost of \$5000 or more, to the extent that SCAO's proportionate interest in such equipment supports such retention or transfer of title.
- C. Adjustments in expenditures up to \$1000 within line item categories in the approved budget and transfers up to \$1000 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 \$1000 must be made using a Contract Adjustment Request form, which can be obtained from SCAO.
- D. 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 Grantee, which would affect SCAO funding of any project, in whole or in part, must be submitted in writing to SCAO for approval immediately upon determining the need for such change.
- E. This agreement is conditionally approved subject to and contingent upon the availability of funds. SCAO will not assume any responsibility or liability for costs incurred by Grantee prior to signing this agreement.
- F. The individuals or officers signing this agreement certify by their signatures that they are authorized to accept this agreement on behalf of the responsible governing board, official, or Grantee.

8. **Conduct of the Project**

- A. The grantee shall abide by all terms and conditions required by the application assurances, budget requirements, and the Grantee's approved program outline and budget. The Grantee must obtain prior approval from SCAO before any program changes or budget adjustments exceeding \$1,000 are implemented during the grant period.
- B. The Grantee shall operate its drug court project in accordance with item #11 of the assurances in the SCAO Byrne JAG Application Instructions (i.e., *Drug Treatment Courts: the Ten Key Components* or *The Ten Guiding Principles of DWI Courts*).
- C. The Grantee shall comply with all applicable federal, state, and local laws, rules, and regulations.
- D. The Grantee agrees that funds awarded under this grant will not be used to support any inherently religious activities, such as worship, religious instruction, or proselytization. If the Grantee refers participants to, or provides, a nonfederal 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 nonfederal funded program or service that incorporates inherently religious activities is deemed a critical treatment or support service for program participants, the 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.

9. **Responsibilities**

Grantee, in accordance with the general purposes and objectives of this agreement, will:

A. Publication Rights

- (1) When activities supported by this agreement produce books, films, or other such copyrightable materials issued by Grantee, the Grantee may copyright such materials, but shall acknowledge that the Office of Highway Safety Planning and SCAO reserve 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 publication right does not include service recipient information or personal identification data.
- (2) Any materials bearing the Office of Highway Safety Planning or SCAO's name must be approved by the Office of Highway Safety Planning or SCAO prior to reproduction and use.
- (3) The Grantee shall give recognition to the Office of Highway Safety Planning and SCAO in any and all publications, papers, and presentations arising from the program and service contract herein; the Office of Highway Safety Planning and SCAO will do likewise.

B. Fees

The Grantee shall make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report these as outlined in SCAO's fiscal procedures. Any under-recoveries of otherwise available fees resulting from failure to bill for eligible services will be excluded from reimbursable expenditures.

C. Reporting

Grantee will utilize all report forms and reporting formats required by SCAO at the effective date of this agreement. Forms are located at <http://courts.michigan.gov/scao/services/SpecialtyCourts/FormsReports.htm> or e-mailed to program contacts.

The Grantee agrees to submit timely, complete, and accurate reports as identified in this contract, and the application assurances and administrative requirements for the OHSP grant to SCAO as follows:

Report Name	How often	Due Dates
Program Reports	Quarterly	January 15, 2012, April 15, 2012, July 15, 2012, October 15, 2012
Progress Reports	Biannual	April 30, 2012, October 30, 2012
DCCMIS Data Validation and Data Exception Reports	Quarterly	February 15, 2012, May 15, 2012, August 15, 2012, November 15, 2012
Financial Reports	Quarterly	January 20, 2012, April 20, 2012, July 20, 2012, October 10, 2012
Time Certification Reports	Quarterly	April 30, 2012, October 20, 2012
Program Income Reports	Quarterly	January 20, 2012, April 20, 2012, July 20, 2012, October 10, 2012
DCCMIS Audit Report	Annually	January 31, 2012

If any report is thirty-days past the due date, a delinquency notice will be sent via e-mail notifying the Grantee that it has fifteen days to comply with the reporting requirement. Forty-five

days past the due date a forfeiture notice will be sent to the Grantee via the U.S. Postal Service notifying it that its funding award has been rescinded due to contract noncompliance.

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 drug court grant project as defined in the approved grant request. Reimbursement for grant costs and/or future funding may be withheld or denied if any of the required reports in this section are received forty-five days past their due date.

D. Program Operation

The Grantee will provide the necessary administrative, professional, and technical staff for operation of the program.

E. Record Maintenance/Retention

The Grantee will 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

The Grantee will permit, upon reasonable notification and at reasonable times, access by authorized representatives of SCAO, Michigan State Police Office of Highway Safety Planning, 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.

10. **Audits**

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

A. Required Audit or Notification Letter

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

- (1) Single Audit – Grantees that expend \$500,000 or more in federal awards during Grantee's fiscal year must submit to SCAO 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).
- (2) Financial Statement Audit – Grantees exempt from the Single Audit requirements that receive \$500,000 or more in total funding from SCAO in state and federal grant funding must submit to SCAO a Financial Statement Audit prepared in accordance with generally accepted auditing standards (GAAS). Grantees exempt from the Single Audit requirements that receive less than \$500,000 of total SCAO grant funding must submit to the SCAO a Financial Statement Audit prepared in accordance with GAAS if the audit includes disclosures that may negatively impact SCAO-funded programs including, but not limited to fraud, financial statement misstatements, and violations of contract and grant provisions.

- (3) Audit Status Notification Letter – Grantees exempt from both the Single Audit and Financial Statement Audit requirements (1. and 2. Above) must submit an Audit Status Notification Letter that certifies these exemptions.

B. 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 SCAO within nine months after the end of Grantee’s fiscal year to:

Michigan Supreme Court
State Court Administrative Office
Hall of Justice
925 West Ottawa
P.O. Box 30048
Lansing, MI 48909
Attn: Ms. Kathryn Van Asperen

C. Penalty

- (1) Delinquent Single Audit or Financial Statement Audit - If Grantee 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 Grantee’s fiscal year and an extension has not been approved by the cognizant or oversight agency for audit, SCAO 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 SCAO. SCAO may retain the amount withheld if Grantee 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. SCAO may terminate the current grant if Grantee 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.
- (2) 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.

D. Other Audits

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

E. Subrecipient/Vendor Monitoring

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

Grantee 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 law, regulations, and the provision 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.

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

Grantee 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)

F. Notification of Modifications

Grantee will provide timely notification to SCAO, 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.

G. Software Compliance

Grantee will ensure software compliance and compatibility with SCAO'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 Grantee's business operations for processing date/time data.

H. Human Subjects

Grantee will 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.

11. **Responsibilities – SCAO**

SCAO, in accordance with the general purposes and objectives of this agreement will:

E. Reimbursement: Provide reimbursement in accordance with the terms and conditions of this agreement based upon appropriate reports, records, and documentation maintained by Grantee. Any travel reimbursement will be paid based upon current State of Michigan travel practices.

B. Report Forms: Provide any report forms and reporting formats required by SCAO during the effective period of this agreement.

12. **Assurances**

The following assurances are hereby given to SCAO:

A. Compliance with Applicable Laws

Grantee will comply with applicable federal and state laws, guidelines, rules, and regulations in carrying out the terms of this agreement. Grantee 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

Grantee will comply with the Anti-Lobbying Act, 31 USC 1352 as revised by the Lobbying Disclosure Act of 1995, 2 US 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 104-208). Further, Grantee 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, Grantee 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. Grantee further agrees that every subcontract entered into for the performance of any contract or purchase order resulting from here 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, 1975 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) Additionally, assurance is given to SCAO 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. Grantee shall incorporate language in all contracts awarded: (a) Prohibiting discrimination against minority owned and women owned businesses and businesses owned by persons with disabilities in subcontracting; and (b) making discrimination a material breach of contract.

D. Debarment and Suspension

Assurance is hereby given to SCAO that Grantee will comply with Federal Regulation, 45 CFR Part 76, 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

Assurance is hereby given to SCAO that Grantee will comply with Public Law 103-227, also known as the Pro-Children Act of 1994, 20 USC 6081 *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 provision 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. Grantee also assures that this language will be included in any subawards, which contain provisions for children's services.

Grantee 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 Grantee. If activities or services are delivered in facilities or areas that are not under the control of the Grantee (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

Grantee will comply with the Hatch Political Activity Act, 5 USC 1501-1508, 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. 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

Grantee will assure for any subcontracted service, activity, or product that:

- (1) 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 SCAO upon written request within 30 days of execution of the agreement.
- (2) 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 Grantee the same or substantially the same rights and privileges as SCAO; or
 - (c) Requires the subcontractor to perform duties and/or services in less time than that afforded Grantee in this agreement.
- (3) The subcontract does not affect Grantee's accountability to SCAO for the subcontracted activity.
- (4) Any billing or request for reimbursement for subcontract costs is supported by a valid subcontract and adequate source documentation on costs and services.
- (5) Grantee shall provide copies of all subcontracts for services funded in whole or in part by this grant to SCAO.

H. Procurement

Grantee will 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 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 and 42 CFR Part 2

To the extent that this act is pertinent to the services that Grantee provides to SCAO under this agreement, Grantee assures that it is in compliance with the Health Insurance Portability and Accountability Act (HIPAA) and 42 CFR Part 2 requirements including the following:

- (1) Grantee must not share any protected health or other protected data and information provided by SCAO or any other source that falls within HIPAA and/or 42 CFR Part 2 requirements, except to a subcontractor as appropriate under this agreement.
- (2) Grantee must require the subcontractor not to share any protected health or other protected data and information from SCAO or any other source that falls under HIPAA and/or 42 CFR Part 2 requirements in the terms and conditions of the subcontract.
- (3) Grantee must only use the protected data and information for the purposes of this agreement.
- (4) Grantee must have written policies and procedures addressing the use of protected data and information that falls under the HIPAA and/or 42 CFR Part 2 requirements. The policies and procedures must meet all applicable federal and state requirements including the HIPAA and 42 CFR Part 2 regulations. These policies and procedures must include restricting access to the protected data and information by Grantee's employees.
- (5) 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 and/or 42 CFR Part 2 requirements of which Grantee becomes aware.
- (6) Failure to comply with any of these contractual requirements may result in the termination of this agreement.
- (7) In accordance with HIPAA and/or 42 CFR Part 2 requirements, Grantee is liable for any claim, loss, or damage relating to unauthorized use or disclosure of protected data and information received by Grantee from SCAO or any other source.

J. Supplanting

Grantee will comply with federal requirements concerning supplanting. Funds must be used to supplement existing funds for program activities and not to replace those funds, which have been appropriated for the same purpose; potential supplanting will be the subject of application review, as well as pre-award review, post-award monitoring and audit.

Supplanting means to deliberately reduce state or local funds because of existence of federal funds (e.g., when state funds are appropriated for a stated purpose and federal funds are awarded for that same purpose, the state replaces its state funds with federal funds, thereby reducing the total amount available for the stated purpose).

K. Reimbursement Method

Grantee will be reimbursed in accordance with the grant reimbursement method as follows: 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.

13. **Financial Requirements**

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

- A. Reimbursement Mechanism. All grantees must sign up through the on-line 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 Technology, Management and Budget's web site at: <http://www.cpexpress.state.mi.us>.

B. Final Obligations and Financial Status Report Requirements

Final FSRs – the final FSR must be clearly marked “Final”. Final FSRs not received by the due date may result in the loss of funding and may result in the potential reduction in the subsequent year's agreement amount.

C. Unobligated Funds

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

14. **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 thirty (30) days written notice to the other party stating the reasons for termination and the effective date.
- B. This contract may be terminated on thirty 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 thirty day period.
- C. This contract may be terminated immediately if the Grantee or an official of the Grantee is convicted of any activity referenced in Section 12D 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.

15. **Final Reporting Upon Termination**

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

16. **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.

17. **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 Grantee which would affect SCAO funding of any project, in whole or in part, of the Agreement must be submitted in writing to SCAO for approval immediately upon determining the need for such change.

18. **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 the Grantee in the performance of this contract shall be the responsibility of the 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 the Grantee, any subcontractor, or anyone directly or indirectly employed by the Grantee, or any subcontractor, provided that nothing herein shall be construed as a waiver of the governmental immunity that has been provided to the Grantee or its employees by statute or court decision.

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 SCAO in the performance of this agreement shall be the responsibility of SCAO, and not the responsibility of the Grantee, if the liability, loss, or damage is caused by, or arises out of, the action or failure to act on the part of any SCAO employee or agent, provided that nothing herein shall be construed as a waiver of any governmental immunity by the State, its agencies (SCAO), or employees as provided by statute or court decisions.

In the event that liability to third parties, loss, or damage arises as a result of activities conducted jointly by Grantee and SCAO in fulfillment of their responsibilities under this agreement, such liability, loss, or damage shall be borne by Grantee and SCAO 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 Grantee, the State, its agencies (SCAO), or their employees, respectively, as provided by statute or court decisions.

19. **Conflict of Interest**

The 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.*

20. **State of Michigan Contract**

This is a State of Michigan contract, governed by the laws of Michigan.

21. **Confidentiality**

Both SCAO and Grantee 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. It also 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, which does not directly or indirectly identify particular individuals.

22. **Disputes**

The Grantee and the SCAO agree that, with regard to any dispute between the parties, the parties shall attempt to resolve the dispute through mediation. Selection of a mediator will be by mutual agreement of the parties.

The Grantee and the SCAO agree that, in the event that mediation is unsuccessful, any dispute shall be settled by arbitration. Selection of an arbitrator will be by mutual agreement of the parties. The decision of the arbitrator shall be binding on both parties. The award, costs, and expenses of the arbitration shall be awarded at the discretion of the arbitrator. A judgment of any circuit court shall be rendered upon the award made pursuant to submission to the arbitrator.

23. **Entire Agreement**

This contract contains the entire agreement between the parties and supersedes any prior written or oral promises and representations. No other understanding, oral or otherwise, regarding the subject matter of this contract exists to bind either of the parties.

Authorized By:

State Court Administrative Office

Date

Acceptance by Grantee:

(See inserted signature Page 12A)

Authorized Official: Must be a person who is authorized to enter into a binding contract for the entity receiving funds. *The Authorizing official may not be a judge or other state employee.* The Authorized Official is normally from the Executive or Legislative Branch of the entity (e.g., City Manager, Mayor, Council President, Board Chairperson, Chief Financial Officer, etc.).

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: _____
Steve Powers (Date)
City Administrator

APPROVED AS TO SUBSTANCE:

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

APPROVED AS TO SUBSTANCE:

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

STATEMENT OF WORK

- A. Grantee agrees to undertake, perform, and complete the additional services as described below. It is understood and agreed that all other conditions of the original agreement remain the same.
- B. Grantee shall target non-violent DWI violators. Grantee shall refer to the Violent Offender definition outlined in 2004 PA 224 and ensure that such offenders will be excluded from DWI court programs.
- C. Grantee must comply with the *Drug Treatment Courts: the Ten Key Components* or *The Ten Guiding Principles of DWI Courts* as specified by the U.S. Department of Justice, Drug Courts Program Office, and the National Association of Drug Court Professionals.
- D. In collaboration with the local Substance Abuse Coordinating Agency and consistent with the Memorandum of Understanding or agreement, a Grantee receiving substance abuse treatment dollars through OHSP program must use licensed and accredited substance abuse treatment providers.
- E. Grantee must ensure that participants are employed, seeking employment, or engaged in activities to enable them to be employed.
- F. Grantee must ensure that a plea by participants is required; no deferred prosecution.
- G. Grantee must ensure that treatment and rehabilitative services provided are based upon a comprehensive assessment of participant needs. Participation in cognitive behavioral, cognitive restructuring, and 12-step programs is encouraged.
- H. Grantee must ensure that participants make some payment toward drug court costs. Payments may be on a sliding fee scale, ability to pay basis.
- I. The contract manager shall evaluate the reports submitted as a result of this Statement of Work for their completeness and adequacy.
- J. Grantee shall permit SCAO or its designee to visit and to make an evaluation of the project as determined by contract manager.

FY 2012 SCAO/OHSP Drug Court Grant Program Allowable Expenses

The guidelines for allowable expenses listed in OMB Circular A-87, as well as the OJP Financial Guide, must be followed in addition to the items listed below.

- A. Personnel and Fringe Benefits: Allowable if documented with payroll reports or general ledger for the period.
- B. Contractual: Consultant fees must conform to federal guidelines and cannot exceed \$450 per day or \$56.25 per hour. Invoices provided for documentation must include description of service, unit cost, number of units, and dates of service.
 Allowable contractual expenses include:
- Substance abuse treatment services
 - Drug testing
 - Contractual employees for case management or monitoring
 - Initial assessment expenses
- Disallowable contractual expenses include:
- Attorney fees for indigent defense or prosecution
 - Follow-up/ongoing medical services
 - Databases which are independent of the DCCMIS
 - Evaluator services
- C. Supplies/Operating: Must be documented with copies of invoices or receipts.
 Allowable supply/operating expenses include:
- Drug testing and drug testing supplies
 - Transportation expenses (e.g., bus passes)
 - MADCP annual conference registration fee (up to 3)
- Disallowable supply/operating expenses include:
- Drug testing confirmations
 - Participant incentives and graduation gifts
 - Equipment and office supplies (computers, copiers, printers, furniture, etc.) and software (new software, maintenance fees, etc).
 - Gasoline expenses
 - Prescription medications
 - Construction or renovation
 - Meals/Refreshments
 - Rent
 - Costs in applying for this grant (e.g., consultants, grant writers, etc.)
 - Memberships
 - Fines and Penalties (court fees, driver's license fees, ignition interlock, etc.)
 - In-state and out-of-state training or conferences except the 2012 MADCP conference
 - Management studies or research and development
 - Legal fees
- D. Indirect Costs and Administrative Fees: All are disallowable expenses.
- E. Travel: Only travel for the purposes of transporting drug court participants to services, or for conducting a home visit are allowable travel expenses and must be documented with copies of travel vouchers/expense reports. Show the basis of computations. All travel must adhere to the most recent approved Michigan Supreme Court Standardized Travel Rate for the Judicial Branch.
- F. Miscellaneous: Lobbying, honorariums, and costs not directly related to the operation of the drug court are not allowable.

Notes:

If an item is NOT listed as an allowable expense, SCAO considers it disallowed.

All grant costs and billings will be reviewed by SCAO to ensure that they reflect costs generally recognized as ordinary and necessary for the operation of the drug court and reflect market prices for comparable goods or services. Additionally, grant expenditures must be for goods and services that are or will be utilized for the grant period or fiscal year. (October 1 to September 30). Billings for goods, and services that could not reasonable be used up prior to September 30 will be denied for reimbursement.

MADCP registration will only be reimbursed if attendance at both days of the two day conference is verified by sign-in sheets.