

**MICHIGAN SUPREME COURT
STATE COURT ADMINISTRATIVE OFFICE
MICHIGAN VETERANS TREATMENT COURT
GRANT PROGRAM
FY 2018 CONTRACT**

Grantee Name: 15th District Court — Veterans Treatment Court

Federal ID Number: 38-6004534

Contract Number: 10299

Grant Amount: \$46,000

1. GENERAL PROVISIONS

1.01 This contract is made between the State Court Administrative Office, Lansing, Michigan (SCAO) and the 15th District Court — Veterans Treatment Court.

1.02 This contract incorporates the Grantee's approved grant application request and most recently approved budget.

1.03 This contract is for the Michigan Veterans Treatment Court grant program.

1.04 In consideration of the mutual promises and covenants in this contract, and the benefits to be derived from this contract, the parties agree as follows:

2. TERM OF CONTRACT

2.01 This contract commences on 10/1/2017 and terminates on 9/30/2018 at 11:59 p.m.

3. RELATIONSHIP

3.01 The Grantee is an independent contractor, and it is understood that the Grantee is not an employee of the SCAO. No employee, agent, or subrecipient subcontractor of the Grantee is an employee of the SCAO.

3.02 No liability or benefits, including, but not limited to, retirement benefits or liabilities, pension rights or liabilities, insurance rights or liabilities, fringe benefits, training, holiday pay, sick pay, vacation pay, or such other rights, provisions, or liabilities arising out of an agreement of hire or employer-employee relationship, either express or implied, shall arise or accrue to either party as a result of this contract. The Grantee is not eligible for, and will not participate in, any such benefits.

3.03 The Grantee is responsible for payment of all taxes, including federal, state, and local taxes arising out of the Grantee's activities in accordance with this contract, including, but not limited to, income taxes, social security taxes, unemployment insurance taxes, and any other taxes or fees.

3.04 The Grantee understands and agrees that all parties furnishing services pursuant to this contract are, for purposes of workers' compensation liability or other actions of employee-related liability, not employees of the SCAO. The 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.

3.05 The Grantee does not, and shall not, have the authority to enter into contracts on the SCAO's behalf.

4. SCOPE OF SERVICES

4.01 Upon signing of this contract, the SCAO agrees to provide funding from the Grant in an amount not to exceed the amount of this contract. In no event does this contract create a charge against any other funds of the SCAO or the Michigan Supreme Court.

4.02 The Grantee, and the Grantee's employees or subrecipient subcontractors, shall devote such time, attention, skill, knowledge, and professional ability as is necessary to most effectively and efficiently carry out and perform the services as described in this contract and in any amendments to this contract.

4.03 Commitment of state resources for the acquisition of goods and services, and execution of purchase orders, contracts, and similar agreements, shall remain the sole responsibility of the SCAO.

5. PERFORMANCE AND BUDGET

5.01 The SCAO agrees to provide the Grantee a sum not to exceed **\$46,000** for the court program operated pursuant to this contract.

5.02 Grantee equipment purchases are prohibited.

5.03 The 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 most recently approved budget for the Grant, and will expend grant funds only during the period covered by this contract unless prior written approval is received from the SCAO.

5.04 The Grantee must sign up through the online vendor registration process to receive payments as Electronic Funds Transfers (EFT)/Direct Deposits. Registration information is available through the Department of Technology, Management, and Budget's website at: http://www.michigan.gov/budget/0,1607,7-157-13404_37161-179392--,00.html.

5.05 All reimbursements for the proper performance of the contract shall be made by the SCAO quarterly, upon submission by the Grantee of claims for approval by the SCAO. The claims shall include a specific amount of the hours worked, hourly salary, the detailed services provided by the Grantee or Grantee's staff, and/or the specific amount expended on supplies or operating costs necessary for program operation.

5.06 Requests for adjustments in expenditures within line items and between line item categories must be made using a Contract Amendment, within WebGrants, and approved by the SCAO. Budget deviation allowances are not permitted.

5.07 The Grantee shall make reasonable efforts to collect 1st and 3rd party fees, where applicable, and report these as outlined in the 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.

6. CONDUCT OF THE PROJECT

6.01 The Grantee shall abide by all terms and conditions required in the application assurances, budget requirements, and the Grantee's approved program outline and most recently approved budget.

6.02 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 proselytizing. If the Grantee refers participants to, or provides, a non-federally funded program of 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 non-federally funded program or services 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.

7. ASSIGNMENT

7.01 The Grantee may not assign the performance under this contract to subcontract personnel except with the prior written approval of the SCAO.

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

7.03 The Grantee shall provide copies of all subrecipient subcontracts for services funded in whole or in part by this grant to the SCAO.

8. CONFIDENTIAL INFORMATION

8.01 In order that the Grantee's employees or subrecipient subcontractors may effectively provide fulfillment of this contract to the SCAO, the SCAO may disclose confidential or proprietary information pertaining to the SCAO's past, present, and future activities to the Grantee. All such information is proprietary to the SCAO and the Grantee shall not disclose such information to any third party without prior approval from the SCAO, unless disclosure is required by law or court order. If disclosure is required by law or court order, the SCAO will be notified of the request before disclosure. The Grantee agrees to return all confidential or proprietary information to the SCAO immediately upon the termination of this contract.

8.02 Both the 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 patient's legal guardian or person with other legal authority, 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. HUMAN SUBJECTS

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

10. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT, 42 CFR PART 2, AND MICHIGAN MENTAL HEALTH CODE

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

- A. The Grantee must not share any protected health or other protected data and information provided by the SCAO or any other source that falls within HIPAA,

- 42 CFR Part 2, and/or the Michigan Mental Health Code requirements, except to a subrecipient subcontractor as appropriate under this contract.
- B. The Grantee must require, in the terms and conditions of any subcontract, that the subrecipient subcontractor not share any protected health or other protected data and information from the SCAO or any other source that falls under HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements.
 - C. The Grantee must use protected data and information only for the purposes of this contract.
 - D. The 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.
 - E. The Grantee must have a policy and procedure to report to the SCAO unauthorized use or disclosure of protected data and information that falls under HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements of which the Grantee becomes aware.
 - F. Failure to comply with any of these contractual requirements may result in the termination of this contract in accordance with section 18.
 - G. In accordance with HIPAA, 42 CFR Part 2, and/or Michigan Mental Health Code requirements, the Grantee is liable for any claim, loss, or damage relating to its unauthorized use or disclosure of protected data and information received by the Grantee from the SCAO or any other source.

11. RIGHTS TO WORK PRODUCT

11.01 All reports, programs, manuals, tapes, listings, documentation, and any other work product prepared by the Grantee under this contract, and amendments thereto, shall belong to the SCAO and are subject to copyright or patent only by the SCAO. The SCAO shall have the right to obtain from the Grantee original materials produced under this contract and shall have the right to distribute those materials.

11.02 The SCAO grants the Grantee a royalty-free, nonexclusive license to use anything developed in the course of executing this contract if the work product enters the public domain.

11.03 The SCAO shall have copyright, property, and publication rights in all written or visual material or other work products developed in connection with this contract. The Grantee shall not publish or distribute any printed or visual material relating to the services provided under this contract without the prior explicit permission of the SCAO.

12. WRITTEN DISCLOSURE

12.01 The Grantee and the Grantee's employees or subrecipient subcontractors shall promptly disclose in writing to the SCAO all writings, inventions, improvements, or discoveries, whether copyrightable, patentable, or not, which are written, conceived, made, or discovered by the Grantee or the Grantee's employees or subrecipient subcontractors jointly with the SCAO or singly by Grantee or Grantee's employees or subrecipient subcontractors while engaged in activity under this contract. As to each such disclosure, the Grantee shall specifically point out the features or concepts that are new or different.

12.02 The SCAO shall have the right to request the assistance of the Grantee and Grantee's employees or subrecipient subcontractors in determining and acquiring copyright, patent, or other such protection at the SCAO's invitation and request.

12.03 The Grantee represents and warrants that there are at present no such writings, inventions, improvements, or discoveries (other than in a copyright, copyright application, patent, or patent application) that were written, conceived, invented, made, or discovered by the Grantee or the Grantee's employees before entering into this contract, and which the Grantee or the Grantee's employees desire to remove from the provisions of this contract, except those specifically set forth by attachment hereto.

13. INSURANCE

13.01 The Grantee shall carry insurance coverage or self-insurance in such amounts as necessary to cover all claims arising out of the Grantee's operations under the terms of this contract.

14. LIABILITY

14.01 All liabilities, obligations, damages, penalties, claims, costs, fees, charges, and expenses (including, but not limited to, fees and expenses of attorneys, expert witnesses, and other consultants) resulting from claims, demands, costs, or judgments arising out of activities or services carried out by the Grantee in the performance of this contract, shall be the responsibility of the Grantee, and not the responsibility of the SCAO. Nothing in this subsection is, nor shall be construed as, a waiver of governmental immunity.

14.02 The SCAO is not responsible and will not be subject to any liability for any claim related to the loss, damage, or impairment of Grantee's property and materials or the property and materials of the Grantee's employees or subrecipient subcontractors, used by the Grantee pursuant to the Grantee's performance under this contract.

14.03 The Grantee warrants that it is not subject to any nondisclosure, noncompetition, or similar clause with current or prior clients or employers that will interfere with the performance of this contract. The SCAO will not be subject to any liability for any such claim.

14.04 In the event any action or proceeding is brought against the Grantee by reason of any claim due or claimed to be due to Grantee's performance covered under this contract, the Grantee will, at the Grantee's sole cost and expense, resist or defend the action or proceeding as the Grantee deems appropriate. The Grantee retains sole authority and discretion to resolve and settle any such claims.

15. ACQUISITION, ACCOUNTING, RECORDKEEPING, AND INSPECTION

15.01 The 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 the Grantee's funding unit, and (2) the administrative and budget requirements of the grant.

15.02 The Grantee agrees to maintain accounting records following generally accepted accounting principles for the expenditure of funds for the purposes identified in the approved grant request, most recently approved budget, and any applicable approved contract addendum and/or budget amendment.

15.03 The Grantee agrees that the Michigan Supreme Court, the 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. The 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 the Grantee's cost. Federal and/or state auditors, and any persons duly authorized by the 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. The SCAO shall provide audit findings and recommendations to the Grantee. The SCAO may adjust future or final payment if the findings of the audit indicate over- or under-payment to the Grantee for the period audited, subject to the availability of funds for such purposes. If an audit discloses an overpayment to the Grantee, the Grantee shall immediately refund all amounts that may be due to the SCAO. Failure of the Grantee to comply with the requirements of this section shall constitute a material breach of this contract upon which the SCAO may cancel, terminate, or suspend this contract.

15.04 The Grantee's accounting system must maintain a separate fund or account that segregates grant contract receipts and expenditures from other receipts and expenditures of the Grantee.

16. PROGRAM REVIEW AND MONITORING

16.01 The Grantee shall give the SCAO and any of its authorized agents access to the 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 participants, and review of case records, receipts, monthly/quarterly statistical reports, and fiscal records.

17. REPORTS

17.01 The Grantee agrees to submit timely, complete, and accurate reports as identified in Attachment A.

17.02 The data for each participant who is screened or accepted into the program must be entered into the Drug Court Case Management Information System (DCCMIS).

17.03 The Grantee is responsible for the timely, complete, and accurate submission of each required report and data as outlined above.

17.04 If any report is thirty days past due, a delinquency notice will be sent via email notifying the Grantee that it has 15 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.

18. REDUCTION/SUSPENSION/TERMINATION:

18.01 In addition to forfeiture under section 17, the SCAO and/or the Grantee may reduce the Project Budget and/or suspend this agreement and/or terminate this agreement without further liability or penalty to the SCAO as follows:

18.02 If any of the terms of this agreement are not adhered to. Suspension requires immediate action by the Grantee to comply with this agreement's terms; otherwise, termination by the SCAO may occur:

18.03 Each party has the right to terminate this contract without cause by giving written notice to the other party of such termination at least fifteen (15) days before the effective date of such termination. Such written notice will provide valid, legal reasons for termination along with the effective date.

18.04 Failure of the Grantee to make satisfactory progress toward the goals, objectives, or strategies set forth in this agreement. Failure under this subsection includes (but is not limited to) a determination by the SCAO after second quarter claims are submitted, in its sole discretion, that project funds are not reasonably likely to be fully expended by the end of the Fiscal Year

18.05 This contract may be terminated immediately without further financial liability to the SCAO if funding for this contract becomes unavailable to the SCAO.

18.06 Proposing or implementing substantial plan changes to the extent that, if originally submitted, the application would not have been selected for funding.

18.07 Filing false certification in this agreement or other report or document.

18.08 This agreement may be terminated immediately if the Grantee, an official of the Grantee, or an owner of a 25% or greater share of the Grantee is convicted of a criminal offense incident to the application for or performance of a State, public, or private grant or subcontract; or convicted of a criminal offense including but not limited to the following: embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, attempting to influence a public employee to breach the ethical conduct standards for State of Michigan employees; convicted under State or Federal antitrust statutes; convicted of any other criminal offense which reflects on the Grantee's business integrity.

18.09 If a grant is terminated by the SCAO for failure to meet the grant management requirements, the Grantee shall not be eligible to seek grant funding from the SCAO VTC grant program for a period of two years. In order to obtain grant funding after the two-year period, the Grantee will be required to submit written assurances that the identified deficiencies have been corrected. Additionally, the Grantee may be required to submit monthly financial reports to allow for increased financial monitoring.

19. COMPLIANCE WITH LAWS

19.01 The Grantee shall comply with all applicable laws, ordinances, and codes of the federal, state, and local governments.

20. MICHIGAN LAW

20.01 This contract shall be subject to, and shall be enforced and construed under, the laws of Michigan.

21. CONFLICT OF INTEREST

21.01 The Grantee presently has no personal or financial interest, and shall not acquire any such interest, direct or indirect, that would conflict in any manner or degree with the performance of this contract.

21.02 The Grantee and the 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. DEBT TO STATE OF MICHIGAN

22.01 The Grantee covenants that it is not, and will not become, in arrears to the state of Michigan or any of its subdivisions upon contract, debt, or any other obligation to the state of Michigan or its subdivisions, including real property, personal property, and income taxes.

23. DISPUTES

23.01 The Grantee shall notify the SCAO in writing of the Grantee’s intent to pursue a claim against the SCAO for breach of any term of this contract within seven days of discovery of the alleged breach.

23.02 The Grantee and the SCAO agree that with regard to any and all disputes, controversies, or claims arising out of or in connection with or relating to this contract; or any claim that the SCAO violated any local, state, or federal ordinance, statute, regulation, law, or common-law doctrine (including discrimination or civil rights claims); or committed any tort; the parties shall attempt to resolve the dispute through mediation. Selection of a mediator will be by mutual agreement of the parties.

24. ENTIRE AGREEMENT

24.01 Except for Grantee’s approved grant application, application assurances, and most recently approved budget, 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.

25. AMENDMENT

25.01 This contract may be amended only upon written agreement of the parties.

26. DELIVERY OF NOTICE

26.01 Written notices and communications required under this contract shall be delivered by electronic mail, regular mail, overnight delivery, or facsimile device to the following:

- A. The Grantee’s contact person is Paul Graveline, 15th District Court, PO Box 8650, Ann Arbor, MI 48107.
- B. The SCAO’s contact person is Dr. Jessica Parks, State Court Administrative Office, Michigan Hall of Justice, P.O. Box 30048, Lansing, MI 48909.

27. SIGNATURE OF PARTIES

27.01 This contract becomes effective when signed by the parties.

IN WITNESS WHEREOF, the SCAO and the Grantee have executed this contract:

15th District Court — Veterans Treatment Court

<p>See Inserted Signature Page</p>

CITY OF ANN ARBOR:

By: _____
Christopher Taylor (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: _____
Howard S. Lazarus (Date)
City Administrator

By: _____
Joseph F. Burke (Date)
Chief Judge
15th Judicial District Court

By: _____
Shryl Samborn (Date)
Court Administrator
15th Judicial District Court

Authorizing 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 authorizing 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.).

STATE COURT ADMINISTRATIVE OFFICE

By: _____
Chief Operating Officer

Date: _____

ATTACHMENT A
MICHIGAN VETERANS TREATMENT COURT GRANT PROGRAM
FY 2018 REPORTING REQUIREMENTS
October 1, 2017 through September 30, 2018

DCCMIS DATA EXCEPTION REPORT	
DUE DATE	NOTE
February 15, 2018	Courts will be reviewing error reports reflecting data entered into DCCMIS for the time period of October 1, 2017, through December 31, 2017.
May 15, 2018	Courts will be reviewing error reports reflecting data entered into DCCMIS for the time period of January 1, 2018, through March 31, 2018.
August 15, 2018	Courts will be reviewing error reports reflecting data entered into DCCMIS for the time period of April 1, 2018, through June 30, 2018.
November 15, 2018	Courts will be reviewing error reports reflecting data entered into DCCMIS for the time period of July 1, 2018, through September 30, 2018.

DCCMIS USER AUDIT	
DUE DATE	NOTE
January 31, 2018	Courts will be confirming user access to DCCMIS.

CLAIMS REPORTS	
DUE DATE	NOTE
January 10, 2018	Courts will be reporting on expenditures from October 1, 2017, through December 31, 2017.
April 10, 2018	Courts will be reporting on expenditures from January 1, 2018, through March 31, 2018.
July 10, 2018	Courts will be reporting expenditures from April 1, 2018, through June 30, 2018.
October 10, 2018	Courts will be reporting expenditures from July 1, 2018, through September 30, 2018.

PROGRESS	
DUE DATE	NOTE
April 30, 2018 Interim Report	Courts will be reporting on progress made during the first half of the grant period – October 1, 2017, through March 31, 2018.
October 30, 2018 Final Report	Courts will be reporting on progress made during the second half of the grant period – April 1, 2018, through September 30, 2018.