

SEP 13 2006



## EXECUTIVE DOCUMENT SUMMARY

State Form 41221 (R10/4-06)

Instructions for completing the EDS and the Contract process.

1. Please read the guidelines on the back of this form.
2. Please type all information.
3. Check all boxes that apply.
4. For amendments / renewals, attach original contract.
5. Attach additional pages if necessary.

1. EDS Number: a70-7-070059	2. Date prepared: 8/18/2006
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## 3. CONTRACTS &amp; LEASES

<input type="checkbox"/> Professional/Personal Services	<input type="checkbox"/> Contract for procured Services
<input checked="" type="checkbox"/> Grant	<input type="checkbox"/> Maintenance
<input type="checkbox"/> Lease	<input type="checkbox"/> License Agreement
<input type="checkbox"/> Attorney	<input type="checkbox"/> Amendment# _____
<input type="checkbox"/> MOU	<input type="checkbox"/> Renewal # _____
<input type="checkbox"/> QPA	<input type="checkbox"/> Other _____

## FISCAL INFORMATION

4. Account Number: 3610-14250.572900	5. Account Name: U.S.D.A - W.I.C PROG
6. Total amount this action: \$174,254.00	7. New contract total: \$174,254.00
8. Revenue generated this action: \$0.00	9. Revenue generated total contract: \$0.00

10. New total amount for each fiscal year:			
Year 2007	\$ 130,691.00	Year	\$
Year 2008	\$ 43,563.00	Year	\$

## TIME PERIOD COVERED IN THIS EDS

11. From (month, day, year): 10/1/2006	12. To (month, day, year): 9/30/2007
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13. Method of source selection:	
<input type="checkbox"/> Bid/Quotation	<input checked="" type="checkbox"/> Negotiated
<input type="checkbox"/> Emergency	<input type="checkbox"/> Special Procurement
<input type="checkbox"/> RFP#	<input type="checkbox"/> Other (specify) _____

35. Will the attached document involve data processing or telecommunications systems(s)?

Yes: IOT or Delegate has signed off on contract

36. Statutory Authority (Cite applicable Indiana or Federal Codes):

PL 95-627, 7CFR, PART 246

37. Description of work and justification for spending money. (Please give a brief description of the scope of work included in this agreement.)

The Indiana Supplemental Food Program for Women, Infants and Children provides nutritious supplemental foods, nutrition education, and health care referrals to women, infants and children up to the age of five who are at nutritional risk and meet federal income guidelines (up to 185% of poverty).

38. Justification of vendor selection and determination of price reasonableness:

The State contracts with local sponsoring agencies to administer the Indiana WIC Program pursuant to Public Law 95-627, 7CFR, Part 246. Not for profit entity.

39. If this contract is submitted late, please explain why: (Required if more than 30 days late.)

40. Agency fiscal officer or representative approval	41. Date Approved	42. Budget agency approval	43. Date Approved
			9/18/06
44. Attorney General's Office approval	45. Date Approved	46. Agency representative receiving from AG	47. Date Approved
JFS	10-2-06		

## AGENCY INFORMATION

14. Name of agency: Department of Health	15. Requisition Number:
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16. Address: 2 N. Meridian Street  Indianapolis, IN 46204
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## AGENCY CONTACT INFORMATION

17. Name: Fred James	18. Telephone #: 317/233-7938
19. E-mail address: fjames@isdh.in.gov	

## COURIER INFORMATION

20. Name: Steve Martin	21. Telephone #: 317-233-7578
22. E-mail address: smartin@isdh.in.gov	

## VENDOR INFORMATION

23. Vendor ID #	0000066535
24. Name: MORGAN HOSPITAL & MEDICAL CENTER	25. Telephone #: 765-342-8441
26. Address: PO BOX 1717  MARTINSVILLE, IN 46151	
27. E-mail address: NA	

28. Is the vendor registered with the Secretary of State? (Out of State Corporations, must be registered)

X Yes No

29. Primary Vendor: M/WBE	30. If yes, list the %:
Minority: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Minority: _____ %
Women: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Women: _____ %

31. Sub Vendor: M/WBE	32. If yes, list the %:
Minority: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Minority: _____ %
Women: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	Women: _____ %

33. Is there Renewal Language in the document?	34. Is there a "Termination for Convenience" clause in the document?
<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

Received

SEP 13 2006

JG

INDIANA Contracts

**SUBRECIPIENT OF FEDERAL FUNDS GRANT AGREEMENT  
EDS # A70-7-070059**

3610-572100-142500  
WIC 283-1



This Grant Agreement, entered into by and between the **Indiana State Department of Health** (the "State") and **Morgan Hospital and Medical Center** (the "Grantee"), is executed pursuant to the terms and conditions set forth herein. In consideration of those mutual undertakings and covenants, the parties agree as follows:

**1. Purpose of this Grant Agreement**

The purpose of this Grant Agreement is to enable the State to award a grant from the State of Indiana's U.S.D.A. WIC Program Grant Fund of up to \$174,254 to the Grantee for eligible costs of the project (the "Project") as described in Attachment A of this Grant Agreement, which is attached hereto and incorporated herein. The funds shall be used exclusively in accordance with the provisions contained in this Grant Agreement and the provisions of the Code of Federal Regulations (CFR), Title 7 Parts 3019 and 3016, as applicable. The State may authorize an amount up to 10% greater than the above amount should it be deemed necessary by the State to accomplish the purpose of this Grant Agreement. Also the State may finally authorize an amount not less than 90% of the above amount should it be determined by the State that the maximum amount of this Grant Agreement is not necessary for the completion of the project described in Paragraph 3. In no event shall the increase or decrease in the amount of this Grant Agreement be greater than \$25,000. This will make the most efficient use of the total grant money distributed between multiple grantees. Should the State make the determination to increase or decrease the amount of this Grant Agreement under this paragraph the State will notify the Grantee in writing.

**2. Term**

This Grant Agreement shall commence on October 1, 2006, (the Commencement Date) and shall remain in effect through September 30, 2007, (the Expiration Date). In no event shall payments be made for work done or services performed before the Commencement Date or after the Expiration Date.

**3. Design and Implementation of Project**

The Grantee shall be solely responsible for the proper design and implementation of the Project as described in the grant application and in Attachment A. The Grantee agrees to complete the Project in accordance with the plans and specifications contained in its application which is on file with the State and is incorporated by reference.

**4. Monitoring Reviews by the State**

The State may conduct an on-site monitoring review of the Project. The monitoring review may document any of the following:

- A. Whether Project activities are consistent with those set forth in Attachment A, the grant applications, and the terms and conditions of the Grant Agreement.

- B. A complete, detailed analysis of actual state, local, or private funds expended to date on the Project and conformity with the amounts for each budget line item as set forth in Attachment A.
- C. A detailed listing of all Project costs by project budget line item which are accrued yet unpaid, if any.
- D. A written evaluation as to the Grantee's timely progress in project management, financial management and control systems, procurement systems and methods, and performance relative to timely submission of quarterly project reports.

## **5. Payment of Grant Funds by the State**

Payment of this Grant by the State shall be made in accordance with the following schedule and conditions:

- A. This Grant Agreement must be fully executed.
- B. All items required by Attachment A must be submitted to and approved by the State.
- C. Any other grant conditions as specified in Attachment A must be met to the State's satisfaction.
- D. The State may require evidence furnished by the Grantee that substantial progress has been made toward completion of the Project prior to making the first payment under this Grant. All payments are subject to the State's determination that the Grantee's performance to date conforms to the Project as approved, notwithstanding any other provision of this Grant Agreement.
- E. If this Grant Agreement is terminated by either party prior to the Expiration Date set forth in Paragraph 2 of this Grant, the State may promptly conduct an on-site monitoring of the Project and complete a Project monitoring report as described in Paragraph 4 of this Grant.
- F. Failure to complete the Project and expend state, local or private funds in accordance with this Grant Agreement may be considered a material breach and shall entitle the State to impose sanctions against the Grantee including, but not limited to, suspension of all grant payments, and suspension of the Grantee's participation in State grant programs until such time as all material breaches are cured to the State's satisfaction. Sanctions may also include repayment of all state funds expended that are not in the scope of this Project or the Budget.
- G. All payments shall be made in conformance with State fiscal policies and procedures and, as required by IC 4-13-2-14.8, by electronic funds transfer to the financial institution designated by the Grantee in writing unless a specific waiver has been obtained from the Auditor of State. No payments will be made in advance of receipt of goods or services that are the subject of this Grant except as permitted by IC 4-13-2-20 or by the statute authorizing this Grant.

## **6. Project Budget and Budget Modification**

The approved Project Budget is set forth in Attachment A of this Grant Agreement. The Grantee shall not spend more than the amount for each line item, as described in their Budget, without the prior written consent of a duly authorized representative of the State, nor shall the Project costs funded by this Grant Agreement and those funded by the local or private share be amended without the prior written consent of the State.

## **7. Statutory Authority of Grantee**

The Grantee expressly represents and warrants to the State that it is statutorily eligible to receive grant funds, and, if the State determines that it is ineligible, it expressly agrees to repay all monies paid to it under this Grant Agreement upon demand.

## **8. Use of Grant Funds by Grantee**

The funds received by the Grantee pursuant to this Grant Agreement shall be used only to provide nutritious supplemental foods, nutrition education and health care referrals to women, infants and children up to the age of five (5) who are at nutritional risk and meet federal income guidelines. This project is described further in Attachment A.

## **9. Conflict of Interest**

### **A. As used in this section:**

"Immediate family" means the spouse and the unemancipated children of an individual.

"Interested party," means:

1. The individual executing this Grant Agreement;
2. An individual who has an interest of three percent (3%) or more of Grantee, if Grantee is not an individual; or
3. Any member of the immediate family of an individual specified under subdivision 1 or 2.

"Department" means the Indiana Department of Administration.

"Commission" means the State Ethics Commission.

- B. The Department may cancel this Grant Agreement without recourse by Grantee if any interested party is an employee of the State of Indiana.
- C. The Department will not exercise its right of cancellation under section B above if the Grantee gives the Department an opinion by the Commission indicating that the existence of this Grant Agreement and the employment by the State of Indiana of the interested party does not violate any statute or code relating to ethical conduct of State employees. The Department may take action, including cancellation of this Grant Agreement consistent with an opinion of the Commission obtained under this section.

- D. Grantee has an affirmative obligation under this Grant Agreement to disclose to the Department when an interested party is or becomes an employee of the State of Indiana. The obligation under this section extends only to those facts that Grantee knows or reasonably could know.

#### **10. Drug-Free Workplace Certification**

The Grantee hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. Grantee will give written notice to the State within ten (10) days after receiving actual notice that the Grantee or an employee of the Grantee in the State of Indiana has been convicted of a criminal drug violation occurring in the workplace. False certification or violation of the certification may result in sanctions including, but not limited to, suspension of grant payments, termination of the Grant Agreement and/or debarment of grant opportunities with the State of Indiana for up to three (3) years.

In addition to the provisions of the above paragraph, if the total grant amount set forth in this Grant Agreement is in excess of \$25,000.00, Grantee hereby further agrees that this Grant Agreement is expressly subject to the terms, conditions and representations of the following Certification:

This certification is required by Executive Order No. 90-5, April 12, 1990, issued by the Governor of Indiana. Pursuant to its delegated authority, the Indiana Department of Administration is requiring the inclusion of this certification in all grants with and grants from the State of Indiana in excess of \$25,000.00. No award of a grant shall be made, and no grant, purchase order or agreement, the total amount of which exceeds \$25,000.00, shall be valid, unless and until this certification has been fully executed by the Grantee and made a part of the Grant Agreement as part of the grant documents.

The Grantee certifies and agrees that it will provide a drug-free workplace by:

- A. Publishing and providing to all of its employees a statement notifying the employees that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Grantee's workplace and specifying the actions that will be taken against employees for violations of such prohibition; and
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Grantee's policy of maintaining a drug-free workplace; (3) any available drug counseling, rehabilitation, and employee assistance programs; and (4) the penalties that may be imposed upon an employee for drug abuse violations occurring in the workplace; and
- C. Notifying all employees in the statement required by subparagraph (A) above that as a condition of continued employment the employee will (1) abide by the terms of the statement; and (2) notify the Grantee of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction; and
- D. Notifying in writing the State within ten (10) days after receiving notice from an employee under subdivision (C)(2) above, or otherwise receiving actual notice of such conviction; and

- E. Within thirty (30) days after receiving notice under subdivision (C)(2) above of a conviction, imposing the following sanctions or remedial measures on any employee who is convicted of drug abuse violations occurring in the workplace: (1) take appropriate personnel action against the employee, up to and including termination; or (2) require such employee to satisfactorily participate in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State or local health, law enforcement, or other appropriate agency; and
- F. Making a good faith effort to maintain a drug-free workplace through the implementation of subparagraphs (A) through (E) above.

## **11. Funding Cancellation**

When the Director of the Office of Management and Budget makes a written determination that funds are not appropriated or otherwise available to support continuation of performance of this Grant Agreement, it shall be canceled. A determination by the Director of the Office of Management and Budget that funds are not appropriated or otherwise available to support continuation of performance shall be final and conclusive.

## **12. Compliance with Laws**

- A. The Grantee shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, and all provisions required thereby to be included herein are hereby incorporated by reference. The enactment of any state or federal statute or the promulgation of regulations thereunder after execution of this Grant Agreement shall be reviewed by the State and the Grantee to determine whether the provisions of the Grant Agreement require formal modification.
- B. The Grantee and its agents shall abide by all ethical requirements that apply to persons who have a business relationship with the State, as set forth in Indiana Code § 4-2-6 et seq., IC § 4-2-7 et seq., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the Grantee is not familiar with these ethical requirements, the Grantee should refer any questions to the Indiana State Ethics Commission, or visit the Indiana State Ethics Commission website at <<<<http://www.in.gov/ethics/>>>>. If the Grantee or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this Grant Agreement immediately upon notice to the Grantee. In addition, the Grantee may be subject to penalties under Indiana Code § 4-2-6-12 and 4-2-7.
- C. The Grantee certifies by entering into this Grant Agreement, that neither it nor its principal(s) is presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State of Indiana. Further, the Grantee agrees that any payments in arrears and currently due to the State of Indiana may be withheld from payments due to the Grantee. Additionally, further payments may be withheld, delayed, or denied and/or this Grant Agreement suspended until the Grantee is current in its payments and has submitted proof of such payment to the State.
- D. The Grantee warrants that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State pending, and agrees that it will immediately notify the State of any such actions. During the term of such actions, Grantee agrees that the State may delay, withhold, or deny work under any supplement, amendment, or contractual device issued pursuant to this Grant Agreement.

- E. If a valid dispute exists as to the Grantee's liability or guilt in any action initiated by the State or its agencies, and the State decides to delay, withhold, or deny funding to the Grantee, the Grantee may request that funding be continued. The Grantee must submit, in writing, a request for review to the Indiana Department of Administration (IDOA) following the procedures for disputes outlined herein. A determination by IDOA shall be binding on the parties.
- F. Any payments that the State may delay, withhold, deny, or apply under this section shall not be subject to penalty or interest under IC 5-17-5.
- G. The Grantee warrants that the Grantee and its subgrantees, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, and regulations in the performance of work activities for the State. Failure to do so is a material breach of the grant and grounds for immediate termination of this Grant Agreement and denial of further payment by the State.
- H. The Grantee hereby affirms that, if registration is required by Indiana law or by this Grant Agreement, it is properly registered and owes no outstanding reports with the Indiana Secretary of State.
- I. Grantee agrees that the State may confirm, at any time, that no liabilities exist to the State of Indiana, and, if such liabilities are discovered, that State may bar Grantee from contracting with the State in the future, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.
- J. As required by IC 5-22-3-7:
  - 1) the Grantee and any principals of the Grantee certify that a) the Grantee, except for de minimis and nonsystematic violations, has not violated the terms of (i) IC 24-4.7 [Telephone Solicitation Of Consumers], (ii) IC 24-5-12 [Telephone Solicitations] , or (iii) IC 24-5-14 [Regulation of Automatic Dialing Machines] in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and b) the Grantee will not violate the terms of IC 24-4.7 for the duration of this Grant Agreement, even if IC 24-4.7 is preempted by federal law.
  - 2) The Grantee and any principals of the Grantee certify that an affiliate or principal of the Grantee and any agent acting on behalf of the Grantee or on behalf of an affiliate or principal of the Grantee: a) except for de minimis and nonsystematic violations, has not violated the terms of IC 24-4.7 in the previous three hundred sixty-five (365) days, even if IC 24-4.7 is preempted by federal law; and b) will not violate the terms of IC 24-4.7 for the duration of this Grant Agreement, even if IC 24-4.7 is preempted by federal law.

### **13. Nondiscrimination**

- A. Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, Grantee and its subgrantees shall not discriminate against any employee or applicant for employment in the performance of this Grant Agreement. The Grantee shall not discriminate with respect to the hire, tenure, terms, conditions or privileges of employment or any matter directly or indirectly related to employment, because of race, color, religion, sex, disability, national origin or ancestry. Breach of this covenant may be regarded as a material breach of contract. Acceptance of this Grant Agreement also signifies compliance with applicable federal laws, regulations, and executive orders prohibiting discrimination in the provision of services based on race, color, national origin, age, sex, disability or status as a veteran.
- B. The Grantee understands that the State is a recipient of federal funds. Pursuant to that understanding, the Grantee and its subgrantees, if any, agree that if the Grantee employs fifty (50) or more employees and does at least \$50,000.00 worth of business with the State and is not exempt, the Grantee will comply with the affirmative action reporting requirements of 41 CFR 60-1.7. The Grantee shall comply with Section 202 of Executive Order 11246, as amended, 41 CFR 60-250, and 41 CFR 60-741, as amended, which are incorporated herein by specific reference. Breach of this covenant may be regarded as a material breach of the grant.

### **14. Order of Precedence**

Any inconsistency or ambiguity in this Grant Agreement shall be resolved by giving precedence in the following order: A) Grant Agreement, B) attachment(s) prepared by the State (Attachment A), and C) Grantee's Grant Application.

### **15. Renewal**

This Grant Agreement may be renewed under the same terms and conditions subject to the approval of the Commissioner of the Department of Administration and the Director of the Office of Management and Budget in compliance with IC 5-22-17-4. The term of the renewed Grant Agreement may not be longer than the term of the original Grant Agreement.

### **16. Termination for Convenience**

This Grant Agreement may be terminated, in whole or in part, by the State whenever, for any reason, the State determines that such termination is in the best interest of the State. Termination shall be effected by delivery to the Grantee of a Termination Notice, specifying the extent to which such termination becomes effective. The Grantee shall be compensated for completion of the Project properly done prior to the effective date of termination. The State will not be liable for work on the Project performed after the effective date of termination. In no case shall total payment made to the Grantee exceed the original Grant Agreement.



## **17. Access To Records**

The Grantee and its subgrantees shall maintain all books, documents, papers, accounting records, and other evidence (Records) pertaining to all costs incurred under this Grant Agreement for inspection by the State or its authorized representatives. Copies of the Records shall be furnished at no cost to the State if requested. The Grantee and its subgrantees shall make all Records available at their respective offices at all reasonable times during the Grant Agreement period and for three (3) years from the date of final payment under the Grant Agreement or longer if an audit has been completed and all audit exceptions have not been cleared by the State.

## **18. Additional Payment Terms**

- A. The State disburses grant funds on a cost reimbursement basis. Actual expenditures of authorized costs will be reimbursed monthly by the State upon receipt of duly executed invoices from the Grantee. Invoices are due by the 20th day after the end of each month.
- B. All accounts will be closed sixty (60) days after the Expiration Date of this Grant Agreement. Any invoice submitted after sixty (60) days will not be reimbursed by the State.
- C. All equipment purchased with federal funds is subject to 45 CFR 92.32.
- D. No expenses for travel will be reimbursed unless specifically permitted under the scope of services, consideration or cultural competency provisions. Expenditures made by the Grantee for travel will be reimbursed at the current rate paid by the State and in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular. Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

## **19. Amendments**

No alteration or variation of the terms of this Grant Agreement shall be valid unless made in writing and signed by the parties hereto. No oral understanding or agreement not incorporated herein shall be binding on any of the parties hereto. Any alterations or amendments, except a change between budget categories which requires the prior written consent of a duly authorized representative of the State, shall be subject to the contract approval procedure of the State.

## **20. Audits and Maintenance of Records**

- A. Following the termination of this Grant Agreement, the Grantee shall secure an audit of grant funds. An independent public accountant or certified public accountant (Auditor) or the State Board of Accounts shall conduct this audit in accordance with Generally Accepted Government Auditing Standards ("GAGAS") and any other applicable audit guidelines or any standards specified by the State or the federal government. These standards include Indiana Code 5-11-1 and the Indiana State Board of Accounts publication "Guidelines for the Examination of the Entities Receiving Financial Assistance from Governmental Sources." The federal Office of Management and Budget Circular A-133 (Audits of Institutions of Higher Education and Other Non-Profit Organizations) may also apply.

The Grantee must submit the audit either thirty (30) days after receipt of the Auditor's report(s) or nine (9) months after the close of the audit period, whichever is earlier, unless the ISDH Audit Section provides a written waiver. The Grantee agrees to provide a readable copy, or original, if requested by the State, of all audits secured by the Grantee to meet this provision. The Grantee must also provide a copy of its "Entity Annual Report" (Form E-1) to the Indiana State Department of Health, 2 North Meridian Street, Audit Section 2C99, Indianapolis, Indiana 46204. Grantee agrees to provide the Indiana State Board of Accounts an original of all financial and compliance audits and the original Grantee's "Entity Annual Report" (Form E-1). Should the Grantee be an agency of the State of Indiana or a local or quasi-governmental agency, the requirement to submit the Grantee's "Entity Annual Report" (Form E-1) to the State and the State Board of Accounts is waived.

- B. The Grantee's audit shall be an audit of the actual entity or the distinct portion thereof that performs the functions of the Grant Agreement, and not of a parent, member, or subsidiary corporation of the Grantee, unless the Indiana State Board of Accounts or State requests an expanded audit. The audit shall include a statement from the Auditor that the Auditor has reviewed this Grant Agreement and that the Grantee is not out of compliance with the financial aspects of this Grant Agreement.
- C. The State and the Indiana State Board of Accounts reserve the right to approve any auditor who conducts the audit. If the State requests, the Grantee shall require its sub-grantees to secure audits in accordance with subparagraph A), and to timely file all reports required by the Indiana State Board of Accounts.
- D. Grantee shall maintain books, records, documents, including but not limited to statistical reports, program reports, payroll records, banking records, accounting records, and purchase orders that are sufficient to document Grantee's program and financial activities under this grant and Grantee's claims for reimbursement as required by law, and any other evidence which, according to generally accepted accounting procedures, identifies costs attributable to the services specified on 'Attachment A' of this Grant Agreement and any other documents required under the terms of this Grant Agreement. The Grantee shall comply with the cost principles set forth in Office of Management and Budget Circular A-122. The Grantee shall maintain a written cost allocation plan identifying procedures for attributing costs to each component code and service.

The State may require more restrictive fiscal accountability, beginning upon written notice, if the State determines the Grantee is financially unstable, has a history of poor accountability, or has a management system that does not meet the standards required by the State of Indiana or the United States Government.

- E. The Grantee must use internal controls that assure: 1) the reliability of financial information and records; 2) effectiveness and efficiency of operations; 3) proper execution of management's objectives; and 4) compliance with laws and regulations. Sufficient internal controls include but are not limited to segregation of duties and safeguarding controls over cash, other assets, and information processing.
- F. Upon written demand by the State, the Grantee will repay the State all money paid during any period of time when an audit showed inadequate fiscal documentation.

- G. If the State finds an audit exception, it may set off the amount against current or future allowable invoices, demand a cash payback, withhold payment of current invoices, or avail itself of any combination of the above remedies.

## **21. Authority To Bind**

The signatory for the Grantee represents that he has obtained all necessary approvals to make this Grant Agreement fully binding upon the Grantee when his signature is affixed. This Grant Agreement must not be subject to further acceptance by Grantee when accepted by the State.

## **22. Confidentiality Of State Information**

Data, materials, and information disclosed to the Grantee may contain confidential and protected data. The Grantee promises that data, material, and information disclosed to the Grantee for the purpose of this Grant Agreement will not be disclosed to others or discussed with other parties without the prior written consent of the State.

## **23. Cultural Competency**

- A. If this Grant Agreement involves direct public contact, the State will offer training in culturally appropriate responses to the current cultural profile of the communities served by this Grant Agreement. This training conforms to U.S. Department of Health and Human Services' (HHS) Office of Minority Health (OMH) standards.
- B. The Grantee agrees to participate in one session of the cultural competency training. The State Health Commissioner may waive this training requirement for either the Grantee or the subgrantee upon proof that the party attended cultural competency training no less than one year before the beginning date of this Grant Agreement. If the Grantee or the subgrantee can not show evidence that a representative has received approved cultural competency training within the last year, it shall send a representative to this training. The Grantee shall ensure that a representative of each subgrantee that has public contact attends this training as well.
- C. The State's cultural competency training is free. The State will reimburse travel and incidental expenses up to the maximum allowed by state rules or up to the maximum allowed by the Grant Agreement, whichever is less. The Grantee or subgrantee will pay any travel and incidental expenses over the maximum reimbursable amount. When the Grantee receives a Cultural Competency Assessment form, it must complete the form and return it to the Cultural Diversity Enrichment (CDE) Division within thirty (30) days of receipt.

## **24. Disputes**

- A. Should any disputes arise with respect to this Grant Agreement, the Grantee and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.

- B. The Grantee agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Grant Agreement that are not affected by the dispute. Should the Grantee fail to continue to perform its responsibilities regarding all non-disputed work without delay, any additional costs incurred by the State or the Grantee as a result of such failure to proceed shall be borne by the Grantee, and the Grantee shall make no claim against the State for such costs. If the State and the Grantee cannot resolve a dispute within ten (10) working days following notification in writing by either party of the existence of a dispute, then the following procedure shall apply:
- C. The parties agree to resolve such matters through submission of their dispute to the Commissioner of the Indiana Department of Administration. The Commissioner shall reduce a decision to writing and mail or otherwise furnish a copy thereof to the Grantee and the State within ten (10) working days after presentation of such dispute for action. The Commissioner's decision shall be final and conclusive unless either party mails or otherwise furnishes to the Commissioner, within ten (10) working days after receipt of the Commissioner's decision, a written appeal. Within ten (10) working days of receipt by the Commissioner of a written request for appeal, the Commissioner may reconsider the decision.
- D. The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Grantee of one or more invoices not in dispute in accordance with the terms of this Grant Agreement will not be cause for Grantee to terminate this Grant Agreement, and the Grantee may bring suit to collect these amounts without following the disputes procedure contained herein.

## **25. Federal Funding Information and Compliance**

- |   |   |
|---|---|
| a) C.F.D.A. Title – Special Supplement<br>Food Program for Women, Infants<br>and Children | d) Award No. MWSSNP-2-6:WC 1-2  |
| b) C.F.D.A No. 10.557   | e) Award Year – 10/1/06 through 9/30/07   |
| c) Award Name - Women, Infants<br>and Children  | f) Federal Agency - U.S. Department of<br>Agriculture, Food and Nutrition Service |

The Contractor agrees to comply with the provisions of the Code of Federal Regulations (CFR) Title 7, Parts 3019 and 3016 as applicable.

## **26. Federal Funds Disclosure**

Any of the Grantee's statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs supported in whole or in part by grant funds must state a) the percentage of the total costs of the program or project with federal financing; b) the amount of federal funds for the project or program; and c) the percentage and dollar amount of the total costs of the project or program financed by nongovernmental sources. "Nongovernmental sources" means sources other than state and local governments and federally recognized Indian tribes.

## **27. Federal Lobbying Requirements**

- A. The Grantee certifies that to the best of its knowledge and belief that no federal appropriated funds have been paid or will be paid, by or on behalf of the Grantee, 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 the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan or cooperative agreement.
- B. 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 Agreement, contract, loan, or cooperative agreement, the Grantee shall complete and submit "Disclosure Form to Report Lobbying" in accordance with its instructions.
- C. The Grantee shall require that the language of subparagraphs a) and b) be included in the language of all subgrants and that all subgrantees shall certify and disclose accordingly.

## **28. Governing Laws**

This Grant Agreement shall be construed in accordance with and governed by the laws of the State of Indiana and suit, if any, must be brought in the State of Indiana.

## **29. Indemnification**

The Grantee agrees to indemnify, defend, and hold harmless the State of Indiana and its agents, officials, and employees from all claims and suits including court costs, attorney's fees, and other expenses caused by any act or omission of the Grantee or its subgrantees, if any. The State shall not provide such indemnification to the Grantee.

## **30. Independent Contractor**

- A. Both parties to this Grant Agreement shall act in an individual capacity and not as agents, employees, partners, joint venturers or associates of one another. The employees or agents of one party shall not be deemed the employees or agents of the other party for any purposes whatsoever. Neither party will assume liability for any injury (including death) to any persons, or damage to any property arising out of the acts or omissions of the agents, employees or subgrantees of the other party.
- B. The Grantee will provide all necessary unemployment and workers' compensation insurance for its employees.

### **31. Information Technology Accessibility**

If the Grantee provides any information technology related products or services to the State, the Grantee shall comply with all Indiana Office of Technology (IOT) standards, policies and guidelines, which are online at <http://www.iot.in.gov/architecture/>. The Grantee specifically agrees that all hardware, software and services provided to or purchased by the State shall be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 794d) and IC 4-13.1-3. Any deviation from these architecture requirements must be approved in writing by IOT in advance. The State may terminate this Grant Agreement for default if the Grantee fails to cure a breach of this provision within a reasonable time.

### **32. Licensing Standards**

Grantee, its employees, and its subgrantees shall comply with all licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services under this Grant Agreement. The State will not pay for any services performed when Grantee or its employees or subgrantees were not in compliance with such standards, laws, rules or regulations. If licensure, certification or accreditation expires or is revoked, Grantee shall notify State immediately and the State, at its option, may immediately terminate this Grant Agreement.

### **33. Notices to Parties**

All notices shall be sent to the following addresses, unless otherwise provided in writing:

Notices to the State shall be sent to:

Indiana State Department of Health  
ATTN: Contract and Audit Section  
2 North Meridian Street, Section 2-C  
Indianapolis, IN 46204

Notices to the Grantee shall be sent to:

Morgan Hospital and Medical Center  
ATTN: Thomas W. Laux  
Chief Executive Officer  
2209 John R. Wooden Drive  
Martinsville, IN 46151-0717

#### **34. Ownership of Documents and Materials**

All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Grantee prior to execution of this Grant Agreement, but specifically developed under this Grant Agreement shall be considered "work for hire" and the Grantee transfers any ownership claim to the State of Indiana and all such materials will be the property of the State of Indiana. Use of these materials without the prior written consent of the State is prohibited unless related to Grantee's grant performance. The Grantee shall be responsible for any loss of or damage to these materials while the materials are in the possession of the Grantee. Any loss or damage thereto shall be restored at the Grantee's expense. The Grantee shall allow the State full, immediate, and unrestricted access to the work product.

#### **35. Penalties/Interest/Attorney's Fees**

The State will not pay any penalties, liquidated damages, interest, or attorney's fees except as required by Indiana law, in part, IC 5-17-5, IC 34-54-8, and IC 34-13-1, and any liability for late payment will be paid from state funds only.

#### **36. Progress Reports**

- A. The Grantee shall submit progress reports to the State upon request, unless specified otherwise in Attachment A. The progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule and that completion can be reasonably assured on the scheduled date.
- B. The failure to provide progress reports as requested by the State is considered a material breach of the Grant Agreement and shall entitle the State to impose sanctions against the Grantee. Sanctions may include, but are not limited to, suspension of all Grant Agreement payments, and/or suspension of the Grantee's participation in State contract programs until such time as all material breaches are cured to the State's satisfaction. Sanctions may also include repayment of all State funds expended for activities that are not in the scope of this project as set forth in Attachment A of this Grant Agreement.

#### **37. Remedies Not Impaired**

No delay or omission of either party in exercising any right or remedy available under this Grant Agreement shall impair any such right or remedy, or constitute a waiver of any default, or any acquiescence thereto.

#### **38. Security and Privacy of Health Information**

If any final regulation or body of regulations relating to the administrative simplification provisions of the Health Insurance Portability and Accountability Act of 1996 ("Final HIPAA Regulations"), or any amendment or judicial or administrative interpretation of the Final HIPAA Regulations, prohibits, restricts, limits or materially and adversely affects either party's rights or obligations hereunder, the parties shall negotiate, in good faith, reasonable revisions to this Grant Agreement.

The purpose of the negotiations shall be to revise the Grant Agreement so that the affected party can act in accordance with such Final HIPAA Regulations, or amendment or judicial or administrative interpretation thereof, and avoid or mitigate such prohibition, restriction, limitation or material and adverse effect.

If the parties fail to agree to such revisions within forty-five (45) days after written notice from the affected party requesting negotiations under this paragraph, this Grant Agreement shall terminate. If so terminated the Grantee shall return all protected health information received from, created or received by the Grantee on behalf of the State. The Grantee shall retain no copies of such information in any form.

### **39. Severability**

The invalidity of any section, subsection, clause or provision of this Grant Agreement shall not affect the validity of the remaining sections, subsections, clauses or provisions of this Grant Agreement.

### **40. Taxes**

The State is exempt from most state and local taxes and many federal taxes. The State will not be responsible for any taxes levied on the Grantee as a result of this Grant Agreement.

### **41. Waiver of Rights**

No right conferred on either party under this Grant Agreement shall be deemed waived and no breach of this Grant Agreement excused, unless such waiver or excuse is in writing and signed by the party claimed to have waived such right.

### **42. State Boilerplate Affirmation Clause**

I swear or affirm under the penalties of perjury that I have not altered, modified or changed the State's Boilerplate contract clauses as defined in the February 2006 *IDOA Professional Services Contract Manual* in any way except for the following paragraphs:

The following clauses had minor modifications:

- Access to Records
- Additional Terms and Conditions (Travel)
- Audits and Maintenance of Records
- Compliance with Laws
- Order of Precedence
- Progress Reports
- Security and Privacy of Health Information



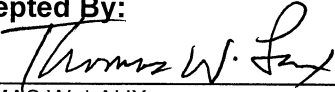
#### **43. Non-Collusion and Acceptance**

The undersigned attests, subject to the penalties of perjury, that he/she is the Grantee, or that he/she is the properly authorized representative, agent, member or officer of the Grantee, that he/she has not, nor has any other member, employee, representative, agent or officer of the Grantee, directly or indirectly, to the best of his/her knowledge, entered into or offered to enter into any combination, collusion or agreement to receive or pay, and that he/she has not received or paid any sum of money or other consideration for the execution of this Grant Agreement other than that which appears upon the face hereof.


**The rest of this page is left blank intentionally.**

In Witness Whereof, Grantee and the State have, through duly authorized representatives, entered into this Grant Agreement. The parties having read and understand the foregoing terms of the Grant Agreement do by their respective signatures dated below hereby agree to the terms thereof.

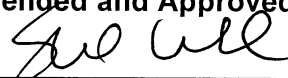
**Accepted By:**

  
THOMAS W. LAUX  
CHIEF EXECUTIVE OFFICER  
MORGAN HOSPITAL AND MEDICAL CENTER  
DATE: 9/5/06


**Certification of Funds:**

  
LINDA L. BROWN  
DIRECTOR  
DIVISION OF FINANCE  
OPERATIONAL SERVICES COMMISSION  
INDIANA STATE DEPARTMENT OF HEALTH  
DATE: 9/12/06


**Recommended and Approved By:**

  
SUE UHL, J.D.  
DEPUTY STATE HEALTH COMMISSIONER  
INDIANA STATE DEPARTMENT OF HEALTH  
DATE: 9 11 06

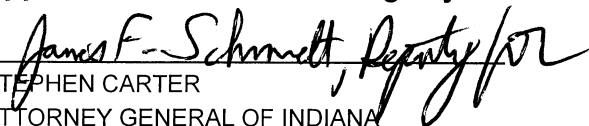
**Approved:**

  
CARRIE HENDERSON, COMMISSIONER  
DEPARTMENT OF ADMINISTRATION  
STATE OF INDIANA  
DATE: 9.15.06

**Approved:**

  
CHARLES SCHALLIOL, DIRECTOR  
OFFICE OF MANAGEMENT and BUDGET  
STATE OF INDIANA  
DATE: 9/18/2006

**Approved as to Form and Legality:**

  
STEPHEN CARTER  
ATTORNEY GENERAL OF INDIANA  
DATE: 10-2-06

**ATTACHMENT A  
ADMINISTRATION OF THE SPECIAL SUPPLEMENTAL FOOD PROGRAM  
FOR WOMEN, INFANTS, AND CHILDREN  
(WIC PROGRAM)**

Pursuant to Public Health Service Circular 89.03, 100 percent of the total cost of this program will be financed with federal funds. No amount of the total costs of the WIC Program will be financed by nongovernmental sources.

Witnesseth:

WHEREAS, the State pursuant to 42 U.S.C. 1786 and the regulations, instructions and guidelines issued by the United States Department of Agriculture, Food and Nutrition Services (USDA-FNS), in accordance with that Law, wishes to administer the WIC Program within the jurisdiction of the State of Indiana, and

WHEREAS, the State has determined that the Grantee meets all requirements to administer a Local WIC Program.

IT IS THEREFORE AGREED BY AND BETWEEN THE TWO PARTIES THAT:

1. The Grantee shall administer a WIC Program within its designated service area in an efficient and effective manner pursuant to the USDA-FNS Regulations issued in accordance with 42 U.S.C. 1786 and applicable State rules, policies, and procedures. Specifically, the Grantee agrees to:

a. Provide direct services, i.e., certification, nutrition education, referrals and check pick up, to applicants and participants in a manner that ensures maximum access to WIC services in any given county in their agency. This includes the provision of extended morning, evening and/or Saturday hours for working applicants and participants determined by caseload size as designated by the State. In addition, the Grantee will provide all services during the lunch hour if more than two staff persons at any site are available. The Grantee must receive approval from the State for any closing of scheduled clinic days. The submitted request must include a plan for check distribution and certification appointments during the proposed closed period.

b. Adhere to the WIC Clinic Hours and On-Site Services and WIC Clinic Staffing Pattern forms as submitted during the Comprehensive Review so that continuity and quality of services can be maintained. Assure that routinely scheduled, paid work time responsibilities are performed at the clinic site.

c. Secure and maintain competent professionals, facilities, and equipment necessary to perform the Indiana WIC Program certification procedures.

d. Determine and certify eligible persons for the WIC Program according to established certification procedures; document certification actions on the State-provided certification form; provide WIC Program benefits to those certified on a timely basis; and reassess eligibility at the prescribed intervals.

e. Make available appropriate health services to WIC participants in a smoke-free environment.

- f. Provide nutrition education services to WIC participants in accordance with State policy and procedures and consistent with the local Nutrition Education Plan.
- g. Operate the Indiana WIC Program Automated Food Delivery and Management Information System in accordance with State policy and procedures, including establishing and maintaining on a timely basis the WIC Vendor Masterfile and maintaining accountability and inventory controls over WIC food checks.
- h. Establish and maintain business relations with retail food stores and pharmacies for the redemption of WIC checks. This shall include training authorized vendors in proper WIC procedures, monitoring each authorized vendor annually on-site and more often as problems are identified, updating authorized vendors as instructed by the State; and to sanction authorized vendors based on the Vendor Abuse Schedule for program abuse identified by the State or Grantee. Maintain all required documentation of vendor business relations.
- i. Submit by the 25th of each month the monthly expenditure information of funds encumbered and paid during the reporting month and the amount of funds paid out or contributed for nutrition education, breastfeeding promotion, client services and administrative expenditures.
- j. Submit the Monthly Expenditure Report (MER) with the claim voucher by the 25<sup>th</sup> of each month for reimbursement of expenditures.
- k. Conduct a physical inventory each year during the month of October and submit to the State.
- l. Conduct time studies during the months of October and April and submit the "Summary of WIC Program Monthly Activities" to the State.
- m. Provide required financial documentation for the Financial Management Review when requested.
- n. Retain all records relating to participant certification and administrative costs until receiving State approval for destruction.
- o. Assure that no interest exists, directly or indirectly, which could conflict in any manner or degree with the performance of services required to be performed under this Grant Agreement.
- p. Assure that employees participating on this project are not to engage in political activity contrary to the Hatch Act.
- q. Ensure the Grantee's WIC Coordinator works all clinic hours up to the Grantee's full-time equivalency.

2. The State agrees to:

- a. Provide technical assistance and consultation to enable the Grantee to establish and administer a Local WIC Program.
- b. Provide appropriate forms necessary to establish and administer a Local WIC Program.

c. Provide copies of the USDA-FNS WIC Regulations, the Indiana Local WIC Program Policy and Procedure Manual, and other instructions and guidelines on a timely basis necessary to establish and administer a Local WIC Program.

d. Designate the State WIC Coordinator as its authorized agent for the purpose of administration of this Grant Agreement. Such agent shall have full responsibility for the supervision of the work involved under this Grant Agreement and shall certify for each claim submitted that the services for which payment is requested have been rendered in a satisfactory manner.

e. Maintain confidentiality of client information provided by the Grantee pursuant to IC 16-39-5, IC 5-14-3-4(a) (9), 7 CFR 246.26 (d) and 42 CFR 51a, 112.

3. The Grantee understands that:

a. The State shall monitor the activities of the Grantee utilizing methods which shall include, but not be limited to, on-site evaluation.

b. The State may require revisions of the Grantee's operations.

c. The Grantee shall establish qualifications for the Local Agency Coordinator, Nutritionist(s), Nurse(s), Breastfeeding Coordinator, Peer Counselors and Vendor Management Specialist, or person(s) assigned to deal with WIC Vendors. The qualifications for these positions must be approved by the State. These positions are hired by the Grantee. They are employees of the Grantee and must follow the Grantee's personnel policies and procedures.

d. Any approved caseload and administrative budget are based on anticipated USDA financial support. The State is to be held harmless for caseload or budget reductions necessitated by federal funding constraints, restrictions, or reallocations.

e. Authorized caseload and proportionate administrative funds may be reduced if the Grantee fails to maintain caseload.

f. All supplies purchased with WIC funds and all work products pertaining to the administration of the WIC Program are exclusive property of the State and shall be surrendered to the State at the termination of this Grant.

g. Neither the State nor the Grantee has an obligation to renew this Grant Agreement. However, if the Grantee elects to terminate, a 180 working day written notice must be given so continuity of services is maintained.

h. Payments are for reimbursement of expenses shown on the following page and payments will be made if all deliverables are completed and approved by ISDH WIC staff.

## WIC PROGRAM ESTIMATED ANNUAL EXPENDITURE REPORT SUMMARY

Local Agency: MORGAN COUNTY WIC

Fiscal Year 2007 (October 1 to September 30) ☒ Original

Authorized Caseload 1222

Line Item	Amount	State Use Only
<i>SCHEDULE A – PERSONNEL</i>		
<i>Personnel Costs</i>	146,187	
<i>SCHEDULE B - OTHER OPERATING COSTS</i>		
<i>Contract Services</i>	975	
<i>Equipment</i>	0	
<i>Supplies</i>	3,267	
<i>Travel</i>	765	
<i>Rent/Utilities/Janitorial/Trash</i>	12,000	
<i>Postage/Telephone/Printing</i>	2,940	
<i>Other Expenditures</i>	3,720	
<i>SCHEDULE C+D+Peer Counselor Grant=Total BF Promotion</i>		
<i>Total Breastfeeding Promotion</i>	4,400	
<b>TOTAL EXPENDITURES</b>	<b>174,254</b>	

Certification: I certify that the information contained herein is true and accurate to the best of my knowledge and that I am properly authorized to submit this Estimated Annual Expenditure Report proposal on behalf of the sponsoring agency.

DATE: 8-10-06

SIGNATURE OF AUTHORIZED OFFICIAL:

Thomas W. Laux

Type Name and Title of Above Official

Thomas W. Laux, President/CEO