



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 additional pages if necessary.
5. Attach additional pages if necessary.

DEPARTMENT OF ADMINISTRATION

CONTRACTS DIVISION

1. EDS Number: A70-6-7424	2. Date prepared: 4/11/2007
3. CONTRACTS & LEASES	
<input type="checkbox"/> Professional/Personal Services	<input checked="" type="checkbox"/> Contract for procured Services
<input type="checkbox"/> Grant	<input type="checkbox"/> Maintenance
<input type="checkbox"/> Lease	<input type="checkbox"/> License Agreement
<input type="checkbox"/> Attorney	<input checked="" type="checkbox"/> Amendment# 2
<input type="checkbox"/> MOU	<input type="checkbox"/> Renewal #
<input type="checkbox"/> QPA	<input type="checkbox"/> Other

FISCAL INFORMATION	
4. Account Number: Multiple	5. Account Name: Multiple-Refer to Online
6. Total amount this action: \$62,000.00	7. New contract total: \$258,991.00
8. Revenue generated this action: \$0.00	9. Revenue generated total contract: \$0.00
10. New total amount for each fiscal year:	
Year 2006	\$111,961.00
Year 2007	\$147,030.00
Year	\$
Year	\$

TIME PERIOD COVERED IN THIS EDS	
11. From (month, day, year): 7/1/2005	12. To (month, day, year): 6/30/2007
13. Method of source selection:	
<input type="checkbox"/> Bid/Quotation	<input type="checkbox"/> Emergency
<input checked="" type="checkbox"/> RFP# 5-56	<input type="checkbox"/> Special Procurement
<input type="checkbox"/> Other (specify)	

35. Will the attached document involve data processing or telecommunications systems

Yes: IOT or Delegate has signed off on contract

36. Statutory Authority (Cite applicable Indiana or Federal Codes):
IC 35-48-1-9

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

The contractor processes meconium collection kits to analyze and report screening results to ISDH for the presence of controlled substances defined under IC 35-48-1-9. Amendment #1 increase MCH funding by 8,991 to cover costs. Amendment #2: Adds Children Special Health Care Needs (CSHCN) funding in the amount of \$62,000. The funds will be used to processes meconium collection kits; analyze and report screening results to ISDH.

38. Justification of vendor selection and determination of price reasonableness:
ISDH awarded this contract under RFP 5-56.

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

40. Agency fiscal officer or representative approval <i>Burley D. Thompson</i>	41. Date Approved 5-3-07	42. Budget agency approval <i>M. Compton</i>	43. Date Approved 5/24/07
44. Attorney General's Office approval <i>JFS</i>	45. Date Approved 6-4-07	46. Agency representative receiving from AG	47. Date Approved



8843-002

MAY 03 2007

11253

AGENCY INFORMATION	
14. Name of agency: Department of Health	15. Requisition Number:

16. Address: 2 N. Meridian Street Indianapolis, IN 46204
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AGENCY CONTACT INFORMATION	
17. Name: Robert Bruce Scott	18. Telephone #: 317/233-1241
19. E-mail address: rbscott@ISDH.IN.gov	

COURIER INFORMATION	
20. Name: Steve Martin	21. Telephone #: 317/233-7573
22. E-mail address: smartin@ISDH.IN.gov	

VENDOR INFORMATION	
23. Vendor ID # 0000015161	
24. Name: AIT LABORATORIES	25. Telephone #: 317/243-3894
26. Address: 2265 EXECUTIVE DRIVE SUITE A INDIANAPOLIS, IN 46241	

27. E-mail address: maevans@ait.abs.com	
28. Is the vendor registered with the Secretary of State? (Out of State Corporations must be registered) <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
29. Primary Vendor: M/WBE	30. If yes, list the %:
Minority: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Minority: _____ %
Women: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Women: _____ %
31 Sub Vendor: M/WBE	32. If yes, list the %:
Minority: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Minority: _____ %
Women: <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	Women: _____ %
33. Is there Renewal Language in <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	34. Is there a "Termination for Convenience" clause in the document? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

RECEIVED

MAY 30 2007

OAG-ADVISORY

1000-537000-108630
TDAB 968-1 \$116,242
3620-537000-141600
MCH 968-1 \$80,749
A% 85
C% 15

2070-537000-140000
CSHCN 968-1 \$62,000

EL 4/26/07
MS 4/26/07
MS 4/26/07

Amendment No. 2
EDS Number A70-6-7424

This is an Amendment to the existing Test for Drug Afflicted Babies Personal Services Contract entered into by and between the **Indiana State Department of Health** (hereinafter referred to as the "State") and **American Institute of Toxicology, Inc., d.b.a. AIT Laboratories** (hereinafter referred to as the "Contractor") for the period from July 1, 2005 through June 30, 2007, in the amount of \$196,991.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

The amount of the Personal Services Contract is being increased by \$62,000, making the new total of the Personal Services Contract \$258,991. A new funding source (2070-140000) is being added. The additional funds will be used to process meconium collection kits; analyze and report screening results to the Indiana State Department of Health (ISDH).

Paragraph 2 **Consideration** is amended to read:

The Contractor will be paid monthly in arrears using the rate set out on Exhibit 1, attached hereto and hereby incorporated into this Contract. Payments shall be made by the State upon receipt of duly executed Invoices, with payments from the Test for Drug Afflicted Babies fund not to exceed \$58,121 for the period July 1, 2005 through June 30, 2006, and \$58,121 for the period July 1, 2006 through June 30, 2007. Payments from the Maternal and Child Health fund shall not exceed \$53,840 for the period October 1, 2005 through September 30, 2006, and \$26,909 for the period October 1, 2006 through June 30, 2007. Payment from the Children's Special Health Care Needs fund shall not exceed \$62,000 for the period February 1, 2007 through June 30, 2007. Total remuneration under this Contract shall not exceed \$258,991.

Paragraph 25 **Information Technology Accessibility** is amended to read:

Information Technology Enterprise Architecture Requirements

If the Contractor provides any information technology related products or services to the State, the Contractor shall comply with all Indiana Office of Technology (IOT) standards, policies and guidelines, which are online at <http://www.iot.in.gov/architecture/>. The Contractor 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 Contract for default if the Contractor fails to cure a breach of this provision within a reasonable time.

Funding Summary

1000-108630	7/1/05 thru 6/30/06	\$ 58,121
1000-108630	7/1/06 thru 6/30/07	58,121
3620-141600	10/1/05 thru 9/30/06	53,840
3620-141600	10/1/06 thru 6/30/07	26,909
2070-140000	2/1/07 thru 6/30/07	<u>62,000</u>
Total		\$258,991

All other matters previously agreed to and set forth in the original Personal Services Contract and not affected by this Amendment shall remain in full force and effect.


Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the properly authorized representative, agent, member or officer of the Contractor, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, 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 Contract other than that which appears upon the face of this Contract.

The rest of this page has been left blank intentionally.

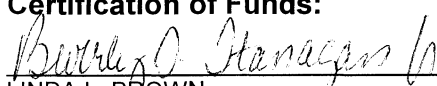
In Witness Whereof, the Contractor and the State of Indiana have, through duly authorized representatives, entered into this Personal Services Contract Amendment. The parties having read and understanding the foregoing terms of the Personal Services Contract Amendment do by their respective signatures dated below agree to the terms thereof.

Accepted By:


MICHAEL A. EVANS, Ph.D.
PRESIDENT/CEO
AMERICAN INSTITUTE OF
TOXICOLOGY, INC.
D.B.A. AIT LABORATORIES

DATE: _____

Certification of Funds:


LINDA L. BROWN
DIRECTOR
DIVISION OF FINANCE
OPERATIONAL SERVICES COMMISSION
INDIANA STATE DEPARTMENT OF HEALTH


DATE: May 3, 2007

Recommended and Approved By:


LANCE RHODES
CHIEF FINANCIAL OFFICER
OPERATIONAL SERVICES
INDIANA STATE DEPARTMENT OF HEALTH

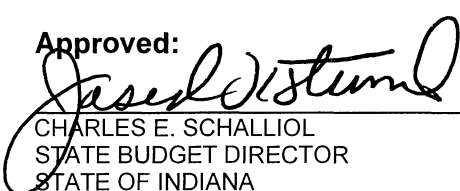
DATE: 5/3/07

Approved:


CARRIE HENDERSON
COMMISSIONER
DEPARTMENT OF ADMINISTRATION
STATE OF INDIANA

DATE: 5.4.07

Approved:


CHARLES E. SCHALLIOL
STATE BUDGET DIRECTOR
STATE OF INDIANA

DATE: 5/28/07

Approved as to Form and Legality:


STEPHEN CARTER
ATTORNEY GENERAL OF INDIANA

DATE: 6-4-07

1000-537000-108630
 TDAB 968-1 \$116,242 *apt 8/24/06*
 3620-537000-141600
 MCH 968-1 \$80,749 *nyl 8/23/06*
 A% 85
 C% 15

Amendment No. 1
 EDS Number A70-6-7424

This is an Amendment to the existing Test for Drug Afflicted Babies Personal Services Contract entered into by and between the **Indiana State Department of Health** (hereinafter referred to as the "State") and **American Institute of Toxicology, Inc. d.b.a. AIT Laboratories** (hereinafter referred to as the "Contractor") for the period from July 1, 2005 through June 30, 2007, in the amount of \$188,000.

In consideration of the mutual undertakings and covenants hereinafter set forth, the parties agree as follows:

The amount of the Personal Services Contract is being increased by \$8,991, making the new total of the Personal Services Contract \$196,991. The additional funds will be used to cover additional program costs.

Paragraph 2 Consideration is amended to read:

The Contractor will be paid monthly in arrears using the rates set out on Exhibit 1, attached hereto and hereby incorporated into this Contract. Payments shall be made by the State upon receipt of duly executed Invoices, with payments from the Test for Drug Afflicted Babies fund not to exceed \$58,121 for the period July 1, 2005 through June 30, 2006, and \$58,121 for the period July 1, 2006 through June 30, 2007. Payments from the Maternal and Child Health fund shall not exceed \$53,840 for the period October 1, 2005 through September 30, 2006, and \$26,909 for the period October 1, 2006 through June 30, 2007. Total remuneration under this Contract shall not exceed \$196,991.

Funding Summary

1000-108630	7/1/05 thru 6/30/06	\$ 58,121
1000-108630	7/1/06 thru 6/30/07	58,121
3620-141600	10/1/05 thru 9/30/06	53,840
3620-141600	10/1/06 thru 6/30/07	<u>26,909</u>
Total		\$196,991

All other matters previously agreed to and set forth in the original Personal Services Contract and not affected by this Amendment shall remain in full force and effect.

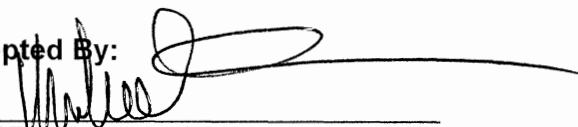
Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the properly authorized representative, agent, member or officer of the Contractor, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, 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 Contract other than that which appears upon the face of this Contract.

The rest of this page has been left blank intentionally.

In Witness Whereof, the Contractor and the State of Indiana have, through duly authorized representatives, entered into this Personal Services Contract Amendment. The parties having read and understanding the foregoing terms of the Personal Services Contract Amendment do by their respective signatures dated below agree to the terms thereof.


Accepted By:


MICHAEL A. EVANS, Ph.D.
PRESIDENT/CEO
AMERICAN INSTITUTE OF
TOXICOLOGY, INC.
D.B.A. AIT LABORATORIES

DATE:

9/18/06

Certification of Funds:


LINDA L. BROWN
DIRECTOR
DIVISION OF FINANCE
OPERATIONAL SERVICES COMMISSION
INDIANA STATE DEPARTMENT OF HEALTH

DATE:

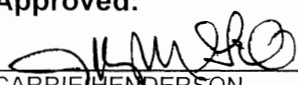
9/20/06

Recommended and Approved By:


SUE UHL, J.D.
DEPUTY STATE HEALTH COMMISSIONER
INDIANA STATE DEPARTMENT OF HEALTH

DATE:


Approved:

 FOR
CARRIE HENDERSON
COMMISSIONER
DEPARTMENT OF ADMINISTRATION
STATE OF INDIANA

DATE:

9.21.06

Approved:


CHARLES E. SCHALLIOL
STATE BUDGET DIRECTOR
STATE OF INDIANA

DATE:

9/25/2006

Approved as to Form and Legality:


STEPHEN CARTER
ATTORNEY GENERAL OF INDIANA

DATE:

10-25-06

CONTRACT FOR SERVICES

1000-537000-108630
TDAB 968-1 \$116,242
3620-537000-141600
MCH 968-1 \$71,758
A% 85
B% 00
C% 15

W 8-1-05
mp 8/5/05

This Contract, entered into by and between **Indiana State Department of Health** (hereinafter referred to as "State") and **American Institute of Toxicology, Inc. d.b.a. AIT Laboratories** (hereinafter referred to as "Contractor"), 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. Duties of Contractor

The Contractor shall process meconium collections kits to analyze and report screening results to the Indiana State Department of Health (ISDH) for the presence of controlled substances as defined under IC 35-48-1-9. These services are further defined in Scope of Work (Exhibit 1), Request for Proposal (RFP) #5-56 (Exhibit 2), Questions and Answers relative to RFP #5-56 (Exhibit 3) and Contractor's Response to RFP #5-56 (Exhibit 4), which are attached hereto, and made a part hereof and incorporated herein by reference as part of this Contract.

2. Consideration

The Contractor will be paid monthly in arrears using the rates set out on Exhibit 1, attached hereto and hereby incorporated into this Contract. Payments shall be made by the State upon receipt of duly executed State Claim Vouchers, with payments from the Test for Drug Afflicted Babies fund not to exceed \$58,121 for the period July 1, 2005 through June 30, 2006, and \$58,121 for the period July 1, 2006 through June 30, 2007. Payments from the Maternal and Child Health fund shall not exceed \$44,849 for the period October 1, 2005 through September 30, 2006, and \$26,909 for the period October 1, 2006 through June 30, 2007. Total remuneration under this Contract shall not exceed \$188,000.

3. Term

This Contract shall commence on July 1, 2005 and shall remain in effect through June 30, 2007.

4. Access to Records

The Contractor and its subcontractors shall maintain all books, documents, papers, accounting records, and other evidence (Records) pertaining to costs incurred, for inspection by the State or by any other authorized representative of the State and copies thereof shall be furnished at no cost to the State if requested. The Contractor and its subcontractors shall make all Records available at their respective offices at all reasonable times during the Contract period and for three (3) years from the date of final payment under the Contract or until an audit has been completed and all audit exceptions cleared.

5. Assignment; Successors

The Contractor binds its successors and assignees to all the terms and conditions of this Contract. The Contractor shall not assign or subcontract the whole or any part of this Contract without the State's prior written consent. The Contractor may assign its right to receive payments to such third parties as the Contractor may desire without the prior written consent of the State, provided that Contractor gives written notice (including evidence of such assignment) to the State thirty (30) days in advance of any payment so assigned. The assignment shall cover all unpaid amounts under this Contract and shall not be made to more than one party.

6. Audits

- A. Following the expiration or termination of this Contract, the Contractor shall secure an audit of funds provided to the Contractor by the State under this Contract. An independent public accountant or certified public accountant (or as applicable, the State Board of Accounts) shall conduct this audit. The audit shall be conducted in accordance with Generally Accepted Government Auditing Standards ("GAGAS") and any other audit guidelines or standards applicable or specified by the State or the federal government, which includes Chapter 5-11-1 of the Indiana Code and the Indiana State Board of Accounts publication "Guidelines for the Examination of the Entities Receiving Financial Assistance from Governmental Sources" and, if applicable, provisions of the federal Office of Management and Budget Circular A-133. Audits conducted pursuant to this paragraph are to be submitted within the earlier of thirty (30) days after receipt of the Auditor's report(s) or nine (9) months after the close of the audit period unless a written waiver of this provision is provided by the Indiana State Department of Health, Audit Section. The Contractor agrees to provide a readable copy (or original if requested by the State) of all audits secured by the Contractor to meet this provision and a copy of the Contractor's "Entity Annual Report" (Form E-1) to the Indiana State Department of Health, 2 North Meridian Street, Audit Section 2C99, Indianapolis, Indiana 46204. Contractor's agrees to provide the State Board of Accounts an original of all financial and compliance audits and the original "Entity Annual Report" (Form E-1). Should the Contractor be an agency of the State of Indiana or a local or Quasi-governmental agency, the requirement to submit the Contractor's "Entity Annual Report" (Form E-1) to the State and the State Board of Accounts is waived.
- B. The Contractor's audit shall be an audit of the actual entity, or distinct portion thereof that is the Contractor, and not of a parent, member, or subsidiary corporation of the Contractor, except to the extent such an expanded audit may be determined by the Auditor or the State to be in the best interests of the State. The audit shall include a statement from the Auditor that the Auditor has reviewed this Contract and that the Contractor is not out of compliance with the financial aspects of this Contract.

- C. The State and the Indiana State Board of Accounts reserve the right to approve any auditor to be secured by the Contractor to conduct the audit specified in subparagraph A). Further, if applicable, the Contractor shall require its subcontractors to secure audits in accordance with subparagraph A), and to timely file all reports required by the Indiana State Board of Accounts.
- D. Contractor 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 Contractor's program and financial activities that relate to the performance of the services and funds provided pursuant to this Contract and Contractor claims for reimbursement under this Contract or as required by law, and other evidence, according to generally accepted accounting procedures, which identify costs attributable to the service(s) specified on 'Exhibit 1' of this Contract. The Contractor shall comply with the cost principles set forth in Office of Management and Budget Circular A-122. The Contractor shall maintain a written cost allocation plan that identifies procedures used to attribute costs to service(s) in Exhibit 1.

More restrictive fiscal accountability may be required of the Contractor by the State, beginning upon written notice, if the State determines the Contractor 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 and/or the United States Government.

- E. Upon written demand by the State the Contractor agrees to repay the State all sums paid by the State to the Contractor for which adequate fiscal and/or service delivery documentation is not in existence for the time period audited.
- F. Should an audit of the Contractor result in an audit exception the State may set off such amount against current or future allowable claims, demand a cash payback, or withhold payment of current claims or any combination thereof, in a like amount pending resolution between the parties of any disputed amount.

7. Authority to Bind Contractor

The signatory for the Contractor represents that he/she has been duly authorized to execute This Contract on behalf of the Contractor and has obtained all necessary or applicable approvals to make this Contract fully binding upon the Contractor when his/her signature is affixed, and this Contract is not subject to further acceptance by Contractor when accepted by the State of Indiana.

8. Changes in Work

The Contractor shall not commence any additional work or change the scope of the work until authorized in writing by the State. No claim for additional compensation shall be made in the absence of a prior written approval executed by all signatories hereto.

9. Compliance with Laws

- A. The Contractor shall comply with all applicable federal, state and local laws, rules, regulations and ordinances, the provisions of which are incorporated by reference. The enactment or amendment of any applicable state or federal statute or the promulgation of any rules or regulations thereunder after execution of this Contract shall be reviewed by the State and the Contractor to determine whether the provisions of this Contract require formal modification.

- B. The contractor 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., the regulations promulgated thereunder, and Executive Order 04-08, dated April 27, 2004. If the contractor is not familiar with these ethical requirements, the contractor 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 contractor or its agents violate any applicable ethical standards, the State may, in its sole discretion, terminate this contract immediately upon notice to the contractor. In addition, the contractor may be subject to penalties under Indiana Code § 4-2-6-12.
- C. The Contractor certifies by entering into this 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 Contractor agrees that any payments in arrears and currently due to the State of Indiana may be withheld from payments due to the Contractor. Additionally, further work or payments may be withheld, delayed, or denied and/or this Agreement suspended until the Contractor is current in its payments and has submitted proof of such payment to the State.
- D. The Contractor warrants that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State of Indiana pending, and agrees that it will immediately notify the State of any such actions. During the term of such actions, Contractor agrees that the State may delay, withhold, or deny work under any Supplement or contractual device issued pursuant to this Agreement.
- E. If a valid dispute exists as to the Contractor's liability or guilt in any action initiated by the State of Indiana or its agencies, and the State decides to delay, withhold, or deny work to the Contractor, the Contractor may request that it be allowed to continue, or receive work, without delay. The Contractor 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 Contractor warrants that the Contractor and its subcontractors, if any, shall obtain and maintain all required permits, licenses, and approvals, as well as comply with all health, safety, and environmental statutes, rules, or regulations in the performance of work activities for the State. Failure to do so is a material breach of the contract and grounds for immediate termination of the Agreement and denial of further work with the State.
- H. The Contractor hereby affirms that it is properly registered and owes no outstanding reports with the Indiana Secretary of State.
- I. Contractor 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 Contractor 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. Compliance with Telephone Solicitations Act.

As required by IC 5-22-3-7:

- (1) the Contractor and any principals of the Contractor certify that (A) the Contractor, 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 Contractor will not violate the terms of IC 24-4.7 for the duration of the Contract, even if IC 24-4.7 is preempted by federal law.
- (1) The Contractor and any principals of the Contractor certify that an affiliate or principal of the Contractor and any agent acting on behalf of the Contractor or on behalf of an affiliate or principal of the Contractor: (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 the Contract, even if IC 24-4.7 is preempted by federal law.

10. Condition of Payment

All services provided by the Contractor under this contract must be performed to the State's reasonable satisfaction, as determined at the discretion of the undersigned State representative and in accordance with all applicable federal, state, local laws, ordinances, rules, and regulations. The State shall not be required to pay for work found to be unsatisfactory, inconsistent with this Contract or performed in violation of federal, state, or local law.

11. Ownership of Documents and Materials

All documents, records, programs, data, film, tape, articles, memoranda, and other materials not developed or licensed by the Contractor prior to execution of this Contract, but specifically developed under this Contract shall be considered "work for hire" and the Contractor 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, other than related to contract performance by the Contractor, without the prior written consent of the State, is prohibited. During the performance of this Contract, the Contractor shall be responsible for any loss of or damage to these materials developed for or supplied by the State and used to develop or assist in the services provided herein while the materials are in the possession of the Contractor. Any loss or damage thereto shall be restored at the Contractor's expense. Full, immediate, and unrestricted access to the work product of the Contractor during the term of this Contract shall be available to the State.

12. Confidentiality of State Information

The Contractor understands and agrees that data, materials, and information disclosed to Contractor may contain confidential and protected data. Therefore, the Contractor promises and assures that data, material, and information gathered, based upon or disclosed to the Contractor for the purpose of this Contract, will not be disclosed to others or discussed with third parties without the prior written consent of the State.

13. 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 contract;
2. An individual who has an interest of three percent (3%) or more of Contractor, if Contractor 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 Contract without recourse by Contractor 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 Contractor gives the Department an opinion by the Commission indicating that the existence of this Contract and the employment by the State of Indiana of the interested party does not violate any statute or rule relating to ethical conduct of state employees. The Department may take action, including cancellation of this Contract consistent with an opinion of the Commission obtained under this section.
- D. Contractor has an affirmative obligation under this Contract 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 Contractor knows or reasonably could know.

14. Continuity of Services – Deleted

15. Debarment and Suspension

The Contractor certifies, by entering into this Contract, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from entering into this Contract by any federal agency or by any department, agency or political subdivision of the State. The term "principal" for purposes of this Contract means an officer, director, owner, partner, key employee, or other person with primary management or supervisory responsibilities, or a person who has a critical influence on or substantive control over the operations of Contractor. The Contractor also further certifies that it has verified the suspension and debarment status for all sub-contractors receiving funds under this Contract and is solely responsible for any paybacks and or penalties that might arise from non-compliance.

16. Default by State

If the State, sixty (60) days after receipt of written notice, fails to correct or cure any breach of this Contract, then the Contractor may cancel and terminate this Contract and collect all monies due up to and including the date of termination.

17. Disputes

- A. Should any disputes arise with respect to this Contract, the Contractor and the State agree to act immediately to resolve such disputes. Time is of the essence in the resolution of disputes.
- B. The Contractor agrees that, the existence of a dispute notwithstanding, it will continue without delay to carry out all its responsibilities under this Contract that are not affected by the dispute. Should the Contractor fail to continue to perform its responsibilities regarding all non-disputed work, without delay, any additional costs incurred by the State or the Contractor as a result of such failure to proceed shall be borne by the Contractor, and the Contractor shall make no claim against the State for such costs. If the State and the Contractor 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:

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 Contractor 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 decision may be reconsidered. If no reconsideration is provided within ten (10) working days, the parties may mutually agree to submit the dispute to arbitration for a determination, or otherwise the dispute may be submitted to an Indiana court of competent jurisdiction.

The State may withhold payments on disputed items pending resolution of the dispute. The unintentional nonpayment by the State to the Contractor of one or more invoices not in dispute in accordance with the terms of this Contract will not be cause for Contractor to terminate this Contract, and the Contractor may bring suit to collect these amounts without following the disputes procedure contained herein.

18. Drug-Free Workplace Certification

The Contractor hereby covenants and agrees to make a good faith effort to provide and maintain a drug-free workplace. The Contractor will give written notice to the State within ten (10) days after receiving actual notice that the Contractor or an employee of the Contractor has been convicted of a criminal drug violation occurring in the Contractor's workplace.

False certification or violation of the certification may result in sanctions including, but not limited to, suspension of contract payments, termination of this Contract and/or debarment of contracting opportunities with the State for up to three (3) years.

In addition to the provisions of the above paragraphs, if the total contract amount set forth in this Contract is in excess of \$25,000.00, Contractor hereby further agrees that this 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 contracts and grants from the State of Indiana in excess of \$25,000.00. No award of a contract shall be made, and no contract, 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 Contractor and made a part of the contract or agreement as part of the contract documents.

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

- A. Publishing and providing to all of its employees a statement notifying them that the unlawful manufacture, distribution, dispensing, possession or use of a controlled substance is prohibited in the Contractor's workplace, and specifying the actions that will be taken against employees for violations of such prohibition;
- B. Establishing a drug-free awareness program to inform its employees of (1) the dangers of drug abuse in the workplace; (2) the Contractor'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;
- 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 Contractor of any criminal drug statute conviction for a violation occurring in the workplace no later than five (5) days after such conviction;
- 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;
- 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) taking appropriate personnel action against the employee, up to and including termination; or (2) requiring 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.

19. Employment Option - Deleted

20. Force Majeure

In the event that either party is unable to perform any of its obligations under this Contract or to enjoy any of its benefits because of natural disaster or decrees of governmental bodies not the fault of the affected party (hereinafter referred to as a "Force Majeure Event"), the party who has been so affected shall immediately give notice to the other party and shall do everything possible to resume performance. Upon receipt of such notice, all obligations under this Contract shall be immediately suspended. If the period of nonperformance exceeds thirty (30) days from the receipt of notice of the Force Majeure Event, the party whose ability to perform has not been so affected may, by giving written notice, terminate this Contract.

21. Funding Cancellation

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

22. Governing Laws

This Contract 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.

23. Indemnification

The Contractor 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 Contractor and/or its subcontractors, if any. The State shall **not** provide such indemnification to the Contractor.

24. Independent Contractor

Both parties hereto, in the performance of this Contract, 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 or construed to be 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 subcontractors of the other party.

The Contractor shall be responsible for providing all necessary unemployment and workers' compensation insurance for the Contractor's employees.

25. Information Technology Accessibility

All Contractors supplying information technology related products and services to the state of Indiana must comply with all Indiana Technology Oversight Commission policies and standards. These policies and standards can be found at http://www.in.gov/itoc/html_site/architecture/poli.html and http://www.in.gov/itoc/html_site/architecture/stan.html. Any deviation from the published standards and policies must be approved by ITOC and be supported by a written waiver.

The Contractor acknowledges and agrees that all hardware, software and services provided to or purchased by the State must be compatible with the principles and goals contained in the electronic and information technology accessibility standards adopted by the Architectural and Transportation Barriers Compliance Board under Section 508 of the Federal Rehabilitation Act of 1973 (29 U.S.C. 749d), as amended, and adopted by the State of Indiana Information Technology Oversight Commission pursuant to IC 4-23-16-12.

26. Insurance

- A) The Contractor shall secure and keep in force during the term of this agreement, the following insurance coverages, covering the Contractor for any and all claims of any nature which may in any manner arise out of or result from this Contract:
- 1) Commercial general liability, including contractual coverage, and products or completed operations coverage (if applicable), with minimum liability limits of \$500,000 per person and \$1,000,000 per occurrence unless additional coverage is required by the State.
 - 2) Automobile liability with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence.
 - 3) The Contractor shall provide proof of such insurance coverage by tendering to the undersigned State representative, a certificate of insurance prior to the commencement of this agreement. Workers compensation coverage meeting all statutory requirements of IC 22-3-2. In addition, an "all states endorsement" covering claims occurring outside the state of Indiana if any of the services provided under this agreement involve work outside the state of Indiana.
- B) The Contractor's insurance coverage must meet the following additional requirements:
- 1) Any deductible or self-insured retention amount or other similar obligation under the insurance policies shall be the sole obligation of the Contractor.
 - 2) The State will be defended, indemnified, and held harmless to the full extent of any coverage actually secured by the Contractor in excess of the minimum requirements set forth above. The duty to indemnify the State under this agreement shall not be limited by the insurance required in this agreement.
 - 3) The insurance required in this agreement, through a policy or endorsement, shall include a provision that the policy and endorsements may not be canceled or modified without thirty (30) days' prior written notice to the undersigned State representative.
 - 4) Failure to provide insurance as required in this agreement is a material breach of contract entitling the State to immediately terminate this agreement.

The Contractor shall furnish a certificate of insurance and all endorsements to the undersigned State representative prior to the commencement of this agreement.

27. Key Person(s) – Deleted

28. Licensing Standards

The Contractor and its employees and subcontractors shall comply with all applicable licensing standards, certification standards, accrediting standards and any other laws, rules or regulations governing services to be provided by the Contractor pursuant to this Contract. The State shall not be required to pay the Contractor for any services performed when Contractor or its employees or subcontractors are not in compliance with such applicable standards, laws, rules or regulations. If licensure, certification or accreditation expires or is revoked, the Contractor shall notify State immediately and the State, at its option, may immediately terminate this Contract.

29. Merger & Modification

This contract constitutes the entire agreement between the parties. No understandings, agreements, or representations, oral or written, not specified within this contract will be valid provisions of this contract. This contract may not be modified, supplemented, or amended, in any manner, except by written agreement signed by all necessary parties.

30. Minority and Women Business Enterprise Compliance

The Contractor agrees to comply fully with the provisions of the Contractor's MBE/WBE participation plan.

31. Nondiscrimination

Pursuant to IC 22-9-1-10 and the Civil Rights Act of 1964, the Contractor and its subcontractors shall not discriminate against any employee or applicant for employment in the performance of this Contract. The Contractor 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 this Contract. The Contractor's execution of this Contract 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.

The Contractor understands that the State is a recipient of federal funds. Pursuant to that understanding, the Contractor and its subcontractor, if any, agree that if the Contractor employs fifty (50) or more employees and does at least \$50,000.00 worth of business with the State and is not exempt, the Contractor will comply with the affirmative action reporting requirements of 41 CFR 60-1.7. The Contractor 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 this Contract.

36. Progress Reports

- A. The Contractor shall submit progress reports to the State based upon the needs of the State. Unless specified otherwise in Scope of Work (Exhibit 1), Request for Proposal (RFP) #5-56 (Exhibit 2), Questions and Answers relative to RFP #5-56 (Exhibit 3) and Contractor's Response to RFP #5-56 (Exhibit 4), the progress reports shall serve the purpose of assuring the State that work is progressing in line with the schedule, whether additional deliverables will be required to better serve the public, 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 Contract and shall entitle the State to impose sanctions against the Contractor. Sanctions may include, but are not limited to, suspension of all Contract payments, and/or suspension of the Contractor'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 Scope of Work (Exhibit 1), Request for Proposal (RFP) #5-56 (Exhibit 2), Questions and Answers relative to RFP #5-56 (Exhibit 3) and Contractor's Response to RFP #5-56 (Exhibit 4), of this Contract.

37. Renewal Option

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

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 Contract. The purpose of the negotiations shall be to revise the Contract so that the affected party can comply and/or 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 Contract shall terminate. If so terminated the Contractor shall return all protected health information received from, created or received by the Contractor on behalf of the State. The Contractor shall retain no copies of such information in any form.

39. Severability

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

40. Substantial Performance

This Contract shall be deemed to be substantially performed only when fully performed according to its terms and conditions and any modification thereof.

41. Taxes

The State of Indiana is exempt from state, federal, and local taxes. The State will not be responsible for any taxes levied on the Contractor as a result of this Contract.

42. Termination for Convenience

This Contract 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. Termination of services shall be effected by delivery to the Contractor of a Termination Notice at least thirty (30) days prior to the termination effective date, specifying the extent to which performance of services under such termination becomes effective. The Contractor shall be compensated for services properly rendered prior to the effective date of termination. The State will not be liable for services performed after the effective date of termination. The Contractor shall be compensated for services herein provided but in no case shall total payment made to the Contractor exceed the original contract price or shall any price increase be allowed on individual line items if canceled only in part prior to the original termination date.

43. Termination for Default – Deleted

44. Travel

If applicable, expenditures made by the Contractor for travel will be reimbursed by the State at the current rate paid by the State of Indiana. Travel expenses can only be reimbursed in accordance with the State Travel Policies and Procedures as specified in the current Financial Management Circular (#2003-1). Out-of-state travel requests must be reviewed by the State for availability of funds and for appropriateness per Circular guidelines.

45. Waiver of Rights

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

46. Work Standards

The Contractor shall execute its responsibilities by following and applying at all times the highest professional and technical guidelines and standards. If the State becomes dissatisfied with the work product of or the working relationship with those individuals assigned to work on this Contract, the State may request in writing the replacement of any or all such individuals, and Contractor shall grant such request.

47. Additional Terms and Conditions

The Contractor agrees to additional conditions set forth in Scope of Work (Exhibit 1), Request for Proposal (RFP) #5-56 (Exhibit 2), Questions and Answers relative to RFP #5-56 (Exhibit 3) and Contractor's Response to RFP #5-56 (Exhibit 4), which is attached hereto and incorporated herein by reference.

48. Amendments

No alteration or variation of the terms of this Contract 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.

49. Cultural Competency

- A. If this Contract involves direct public contact, the State will offer cultural competency training in culturally appropriate responses which meet the needs of the current demographic and cultural profile of the communities served by this Contract. This training is based on standards recommended by the U.S. Department of Health and Human Services' (HHS) Office of Minority Health (OMH).
- B. The Contractor agrees to participate in one session of the cultural competency training presented by the State during the term of this Contract. The Contractor shall designate a representative who will attend this training or otherwise show evidence that a representative has received approved cultural competency training. The Contractor shall be responsible for ensuring that a representative of its subcontractors will attend this training as well. The State Health Commissioner may waive this training requirement upon application and justification submitted by the Contractor that they have received approved cultural competency training within the year prior to the beginning date of this Contract.
- C. The State's cultural competency training is offered to contractors and subcontractors at no cost. Travel and incidental expenses incurred in obtaining the state's competency training that do not exceed the maximum amount allowed under state rules and do not exceed any conditions placed upon the use of the grant funds may be reimbursed by the State under this Contract. The Contractor and/or subcontractor shall be responsible for any travel and incidental expenses that exceed the maximum limit or any other conditions set for the use of these contract funds.
- D. Prior to the expiration of this Contract, the State's Cultural Diversity & Enrichment (CDE) Division may provide a cultural competency assessment form to the Contractor that must be completed and returned to the CDE Division within thirty (30) days of receipt of the form.

50. Federal Funding Information

- a) C.F.D.A. Title – Maternal and Child Health Services Block Grant to States
- d) Award No. Pending
- b) C.F.D.A No. 93.994
- e) Award Year – 10-01-05 through 9-30-07
- c) Award Name – Maternal and Child Health Services Block Grant Program
- f) Federal Agency – Department of Health & Human Services, Public Health Service, Health Resources & Services Administration, Maternal and Child Health Bureau

The Contractor agrees to comply with the provisions of the Code of Federal Regulations (CFR) Title 45 Parts 74, 92, and 96.

51. Federal Funds Disclosure Requirements

The Contractor agrees that when issuing statements, press releases, requests for proposals, bid solicitations, and other documents describing projects or programs supported in whole or in part by contract funds, they will clearly state a) the percentage of the total costs of the program or project which will be financed with federal money, b) the dollar amount of federal funds for the project or program, as set out in Paragraph 2 of this Contract, and c) the percentage and dollar amount of the total costs of the project or program that will be financed by nongovernmental sources. "Nongovernmental sources" means sources other than state and local governments and federally recognized Indian tribes.

52. Federal Lobbying Requirements

- A. The Contractor 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 Contractor, 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 Contract, contract, loan, or cooperative agreement, the Contractor shall complete and submit "Disclosure Form to Report Lobbying" in accordance with its instructions.
- C. The Contractor shall require that the language of subparagraphs A) and B) be included in the language of all subcontracts and that all subcontractors shall certify and disclose accordingly.

53. Remedies Not Impaired

No delay or omission of the State in exercising any right or remedy available under this Contract shall impair any such right or remedy, or constitute a waiver of any default, or any acquiescence thereto.

54. State Boilerplate Affirmation Clause

The State swears or affirms under the penalties of perjury that the State has not altered, modified or changed the State's Boilerplate contract clauses (as defined in the 2004 IDOA Professional Services Contract Manual) in any way except for the following clauses which are identified by name below:

Access to Records

Audits

Compliance with Laws

Payments

Progress Reports

Security and Privacy of Health Information

Travel


Non-Collusion and Acceptance

The undersigned attests, subject to the penalties for perjury, that he/she is the Contractor, or that he/she is the properly authorized representative, agent, member or officer of the Contractor, that he/she has not, nor has any other member, employee, representative, agent or officer of the Contractor, 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 Contract other than that which appears upon the face of this Contract.

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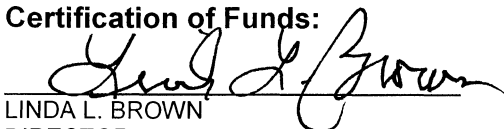
IN WITNESS WHEREOF, the parties hereto have executed this Contract on the dates entered below.

Accepted By:


MICHAEL A. EVANS, Ph.D.
PRESIDENT AND CEO
AMERICAN INSTITUTE OF TOXICOLOGY, INC.
D.B.A. AIT LABORATORIES

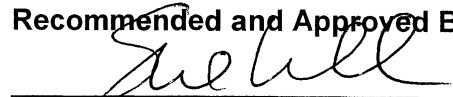
DATE: 8/9/05

Certification of Funds:


LINDA L. BROWN
DIRECTOR
DIVISION OF FINANCE
OPERATIONAL SERVICES COMMISSION
INDIANA STATE DEPARTMENT OF HEALTH

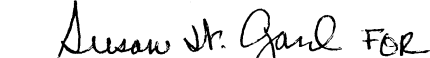
DATE: 8/12/05

Recommended and Approved By:


SUE UHL, J.D.
DEPUTY STATE HEALTH COMMISSIONER
INDIANA STATE DEPARTMENT OF HEALTH

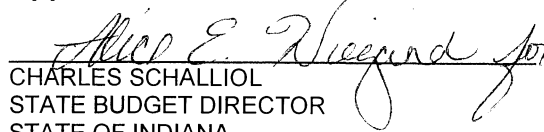
DATE: 8-10-05

Approved:


SUSAN ST. GAUD FOR
CHARLES GOODE, COMMISSIONER
DEPARTMENT OF ADMINISTRATION
STATE OF INDIANA

DATE: 9-16-05

Approved:


ALICE E. SCHALLIOL
STATE BUDGET DIRECTOR
STATE OF INDIANA

DATE: 9/19/2005

Approved as to Form and Legality:


STEPHEN CARTER
ATTORNEY GENERAL OF INDIANA

DATE: 10-29-05