

**DIVISION OF PUBLIC HEALTH  
CONTRACT AGREEMENT  
DPH CONTRACT**

**Contract Preamble**

This Contract Agreement is entered into for the period July 1, 2011 **through June 30, 2013**, by and between the State of Wisconsin represented by its Division of Public Health of the Department of Health Services, whose principal business address is One West Wilson Street, PO Box 2659, Madison WI 53701-2659, hereinafter referred to as Contractor, and **Racine City Health Department**, whose principal business address is **730 Washington Avenue, Racine, WI 53403**, hereinafter referred to as Contractee.

The Contractee address above is the address to which payments shall be mailed. If any legal notices required to be sent to the Contractee in the execution of this Contract Agreement should be sent to an address different from the Contractee address noted above, that address should be provided below:

---

---

---

Whereas, the Contractor wishes to purchase services from the Contractee as it is authorized to do by Wisconsin law; and whereas, the Contractee is engaged in furnishing the desired services; now, therefore, the Contractor and the Contractee agree as follows:

**I. SERVICES TO BE PROVIDED**

The Contractee agrees to provide services consistent with the purposes and conditions of the contract. A detailed description of the objectives to be attained and the documentation associated with that attainment is part of this Contract Agreement as listed in Exhibits I and II, which are attached to this Agreement.

**II. CONTRACT ADMINISTRATION**

The Contractor's Contract Administrator is **Kathryn Murphy** of the Division of Public Health, whose principal business address is **1 W. Wilson, Room 351, P. O. Box 2659, Madison, WI 53701-2659**. The telephone number of the Contractor's Contract Administrator is (608) 266-3504. In the event its Contract Administrator is unable to administer this Contract Agreement, the Contractor will contact the Contractee and designate a new Contract Administrator.

The Contractee's Contract Administrator is **Dottie Kay Bowersox**, whose principal business address is **730 Washington Avenue Racine, WI 53403**. The telephone number of the Contractee's Contract Administrator is (262 ) 636-9495. In the event its Contract Administrator is unable to administer this Contract Agreement, the Contractee will contact the Contractor and designate a new Contract Administrator.

**III. PAYMENT LIMIT**

The Contractor agrees to pay the Contractee in accordance with the terms and conditions of this Contract Agreement, an amount not to exceed **\$445,400**. This amount is contingent upon receipt of sufficient funds by the Contractor.

The Contractor will not make payments for costs in excess of the Contract Agreement amounts or for costs incurred outside the Contract period. Further, the Contractor will not make payments for costs that are inconsistent with applicable state and federal allowable cost policies.

#### **IV. PAYMENT FOR SERVICES**

A. The Contractor, following execution of this Contract Agreement, but not prior to the first day of the contract period, may pay to the Contractee one month's estimated operating costs of the Contract amount for each of the first three months of this Agreement. If such prepayments are made, these prepayments may be recovered from future payments due the Contractee under this Agreement.

B. Payments will be made monthly based on expense reports submitted by the Contractee on the DES F-80862 CARS Expenditure Report. Claims for reimbursement of allowable costs shall be submitted to the Department not later than the fifteenth (15th) day of the month following the month in which costs are incurred. The Contractee shall report, by Contractor assigned profile number, all allowable costs plus any required matching funds stipulated in the reporting instructions for this Contract which are incorporated by reference. See DHS Allowable Cost Policy Manual that is available for viewing at: <http://www.dhs.wisconsin.gov/grants/Administration/AllowableCost/ACPM.htm>.

C. The Contractee shall submit the request for reimbursement (DES F-80862) to the BFS/CARS Unit, Department of Health Services, Division of Enterprise Services, PO Box 7850, Madison WI 53707-7850, with one copy to the Contract Administrator. Payments and reported expenses will be reconciled by the Department in accordance with state procedures.

D. Expense Reports received timely (by the 15<sup>th</sup> of the month) will be reviewed and processed by the 20<sup>th</sup> of the following month.

E. All Payments will be made as electronic funds transfer. Non-municipalities (Non-Profit, UW Departments, other state agencies) will receive their deposit on the 1<sup>st</sup> of the month or the first banking day following the scheduled payment date, whichever is later. Municipalities (counties, cities, villages) will receive their deposit on the 5<sup>th</sup> of the month or the first banking day following the scheduled payment date, whichever is later. CARS agency reports are available not less than five days prior to the scheduled payment date at the following website and should be reviewed and/or printed each month for each agency type to reconcile to the electronic funds transfer deposited into your account. <http://apps.health.wisconsin.gov/cars/GetIndexServlet>

F. Payments made to the Contractee, including prepayments made in accordance with the preceding Item A and expense reimbursement shall not exceed the total Agreement amount.

G. If the Contractor determines, after notice to the Contractee and opportunity to respond, that payments were made that exceeded allowable costs, the Contractee shall refund the amount determined to be in excess within 30 days of invoicing or notification by the Department. The Contractor may, at its sole discretion, effectuate such refund by withholding money from future payments due the Contractee at any time during or after the Contract period. The Contractor also may recover such funds by any other legal means.

#### **V. PROGRAM REPORTING**

The Contractee shall comply with the program reporting requirements of the Contractor as stated in Exhibits I and II of this Contract Agreement. The required reports shall be forwarded to the Contractor's Contract Administrator according to the schedule as specified in Exhibits I and II.

#### **VI. STATE AND FEDERAL RULES AND REGULATIONS**

A. The Contractee agrees to meet State and Federal laws, rules and regulations, and program policies applicable to this Contract Agreement.

B. The Contractee agrees to comply with Public Law 103-227, also known as the Pro-Children Act of 1994, which prohibits tobacco smoke in any portion of a facility owned or leased or contracted for by an entity which receives Federal funds, either directly or through the State, for the purpose of providing services to children under the age of 18.

C. Affirmative Action Plan

1. An Affirmative Action Plan is a written document that details an affirmative action program. Key parts of an affirmative action plan are: (1) a policy statement pledging nondiscrimination and affirmative action employment, (2) internal and external dissemination of the policy, (3) assignment of a key employee as the equal opportunity officer, (4) a workforce analysis that identifies job classifications where there is an under representation of women, minorities, and persons with disabilities, (5) goals must be directed to achieving a balanced workforce, specific and measurable, having an implementation target date between six months and two years, and having a plan of action or description of procedures to implement the goals, (6) revision of employment practices to ensure that they do not have discriminatory effects, and (7) establishment of internal monitoring and reporting systems to regularly measure progress.

2. An Affirmative Action Plan is required from a Contractee who receives a contract from the Contractor in the amount of \$25,000 or more and who has a workforce of twenty-five (25) or more employees as of the award date, unless the Contractee is exempt by criteria listed in the Wisconsin Office of Contract Compliance, Department of Administration's Instruction for Vendors Affirmative Action Requirements (DOA-3021P (R06/96) s. 16765, Wis. Stats.), page 2. Universities, other states, and local governments, except those of the State of Wisconsin who receive state or federal contracts over \$25,000, must submit Affirmative Action Plans in the same manner as other Contractees.

3. In addition, for contracts of twenty-five thousand (\$25,000) or more, regardless of workforce size, the Contractee shall conduct, keep on file, and update annually, a separate and additional accessibility self-evaluation of all programs and facilities, including employment practices for compliance with ADA regulations, unless an updated self-evaluation under Section 504 of the Rehabilitation Act of 1973 exists which meets the ADA requirements. Contractees are to contact the Affirmative Action/Civil Rights Compliance Office, Department of Health Services, One West Wilson Street, Room 561, PO Box 7850, Madison WI 53707-7850, for technical assistance on Equal Opportunity.

#### D. Civil Rights Compliance

1. For contracts for the provision of services to clients, the Contractee must comply with Civil Rights requirements. Contractees with an annual workforce of less than twenty-five (25) employees, regardless of contract amount, and Contractees with contracts of less than \$25,000 are not required to submit a Civil Rights Compliance Action Plan; however, they must submit a Civil Rights Compliance Letter of Assurance. Contractees with an annual workforce of twenty-five (25) employees or more and contract agreements of \$25,000 or more shall submit a written Civil Rights Compliance Plan which covers a three-year period within fifteen (15) working days of the award date of the agreement or contract.

2. The Contractee assures that it has submitted to the Contractor's Affirmative Action /Civil Rights Compliance Office a current copy of its three-year Civil Rights Compliance Action Plan for meeting Equal Opportunity Requirements under Title VI and VII of the Civil Rights Act of 1964, Section 503 and 504 of the Rehabilitation Act of 1973, Title VI and XVI of the Public Health Service Act, the Age Discrimination in Employment Act of 1967, the Age Discrimination Act of 1975, the Omnibus Reconciliation Act of 1981, the American with Disabilities Act (ADA) of 1990, and the Wisconsin Fair Employment Act. If the Plan was reviewed and approved during the previous year, a plan update must be submitted for this Contract Agreement period.

3. No otherwise qualified person shall be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination in any manner on the basis of race, color, national origin, sexual orientation, religion, sex, disability or age. This policy covers eligibility for and access to service delivery, and treatment in all programs and activities. All employees of the Contractee are expected to support goals and programmatic activities relating to nondiscrimination in service delivery.

4. No otherwise qualified person shall be excluded from employment, be denied the benefits of employment or otherwise be subjected to discrimination in employment in any manner or team of employment on the basis of age, race, religion, sexual orientation, color, sex, national origin or ancestry, disability (as defined in Section 504 and the American with Disability Act of 1990), or association with a person with a disability, arrest or conviction record, marital status, political affiliation, or military participation, unfair honesty testing and genetic testing, and use or non-use of lawful products outside of working hours. All employees of the Contractee are expected to support goals and programmatic activities relating to non-discrimination in employment.

5. The Contractee shall post the Equal Opportunity Policy, the name of the Equal Opportunity Coordinator and the Limited English Proficiency Coordinator, and the discrimination complaint process in conspicuous places available to applicants and clients of services, and applicants for employment and employees. The complaint process will be according to the Contractor's standards and the Contractee shall post the complaint process notice translated into the major primary languages of the limited English Proficient (LEP) participants in their service area. The notice will announce the availability of free oral interpretation of services if needed. The Contractee shall not request interpretation services from family members, friends and minors.

6. The Contractee agrees to comply with the Contractor's guidelines in the State of Wisconsin Department of Workforce Development and Department of Health Services, Affirmative Action, Equal Opportunity, Limited English Proficiency and Civil Rights Compliance Plan for Profit and Non-Profit Entities DWSD-14045 (R. 11/2003)) or subsequent revisions.

7. Requirements herein stated apply to any subcontracts or grants. The Contractee has primary responsibility to take constructive steps, as per the State of Wisconsin Department of Workforce Development and Department of Health Services, Affirmative Action, Equal Opportunity, Limited English Proficiency and Civil Rights Compliance Plan for Profit and Non-Profit Entities DWSD-14045 (R. 11/2003), to ensure the compliance of its subcontractors. However, where the Contractor has a direct contract with another Contractee's subcontractor, the Contractee need not obtain a Subcontractor or Subgrantee Civil Rights Compliance Plan or monitor that subcontractor.

8. The Contractor will monitor the Civil Rights Compliance of the Contractee. The Contractor will conduct reviews to ensure that the Contractee is ensuring compliance by its subcontractors or grantees according to guidelines in the State of Wisconsin Department of Workforce Development and Department of Health Services, Affirmative Action, Equal Opportunity and Limited English Proficiency, Civil Rights Compliance Plan for Profit and Non-Profit Entities, DWSD- 14045 (R. 11/2003). The Contractee agrees to comply with Civil Rights monitoring reviews, including the examination of records and relevant files maintained by Contractee, as well as interviews with staff, clients, and applicants for services, subcontractors, providers, and referral agencies. The reviews will be conducted according to Department procedures. The Contractor will also conduct reviews to address immediate concerns of complainants.

9. The Contractee agrees to cooperate with the Contractor in developing, implementing and monitoring corrective action plans that result from complaint investigations or monitoring efforts.

E. The Contractee agrees that it will: (1) hire staff with special translation or sign language skills and/or provide staff with special translation or sign language skills training, or find qualified persons who are available within a reasonable period of time and who can communicate with limited or non-English speaking or speech or hearing-impaired clients at no cost to the client; (2) provide aids, assistive devices and other reasonable accommodations to the client during the application process, in the receipt of services, and in the processing of complaints or appeals; (3) train staff in human relations techniques, sensitivity to persons with disabilities and sensitivity to cultural characteristics; (4) make programs and facilities accessible, as appropriate, through outstations, authorized representatives, adjusted work hours, ramps, doorways, elevators, or ground floor rooms, and Braille, large print or taped information for the visually or cognitively impaired; (5) post and/or make available informational materials in languages and formats appropriate to the needs of the client population.

## **VII. PRIVACY AND CONFIDENTIAL INFORMATION**

A. The Contractee shall not use Confidential Information for any purpose other than the limited purposes set forth in this Contract, and all related and necessary actions taken in fulfillment of the obligations thereunder. The Contractee shall hold all Confidential Information in confidence, and shall not disclose such Confidential Information to any persons other than those directors, officers, employees, and agents (“Representatives”) who have a business-related need to have access to such Confidential Information in furtherance of the limited purposes of this Contract and who have been apprised of, and agree to maintain, the confidential nature of such information in accordance with the terms of this Contract.

B. Contractee shall institute and maintain such security procedures as are commercially reasonable to maintain the confidentiality of the Confidential Information while in its possession or control including transportation, whether physically or electronically.

C. Contractee shall ensure that all indications of confidentiality contained on or included in any item of Confidential Information shall be reproduced by Contractee on any reproduction, modification, or translation of such Confidential Information. If requested by the State, Contractee shall make a reasonable effort to add a proprietary notice or indication of confidentiality to any tangible materials within its possession that contain Confidential Information of the State, as directed.

D. If requested by the State, Contractee shall return or destroy all Individually Identifiable Health Information and Personally Identifiable Information it holds upon termination of this Agreement.

E. Definitions used herein:

1. “Confidential Information” means all tangible and intangible information and materials accessed or disclosed in connection with this Agreement, in any form or medium (and without regard to whether the information is owned by the State or by a third party), that satisfy at least one of the following criteria: (i) Personally Identifiable Information; (ii) Individually Identifiable Health Information; (iii) non-public information related to the State’s employees, customers, technology (including data bases, data processing and communications networking systems), schematics, specifications, and all information or materials derived therefrom or based thereon; or (iv) information designated as confidential in writing by the State.

2. “Individually Identifiable Health Information” means information that relates to the past, present, or future physical or mental health or condition of the individual, or that relates to the provision of health care in the past, present or future, and that is combined with or linked to any information that identifies the individual or with respect to which there is a reasonable basis to believe the information can be used to identify the individual.

3. “Personally Identifiable Information” means an individual’s last name and the individual’s first name or first initial, in combination with and linked to any of the following elements, if the element is not publicly available information and is not encrypted, redacted, or altered in any manner that renders the element unreadable: (a) the individual’s Social Security number; (b) the individual’s driver’s license number or state identification number; (c) the number of the individual’s financial account, including a credit or debit card account number, or any security code, access code, or password that would permit access to the individual’s financial account; (d) the individual’s DNA profile; or (e) the individual’s unique biometric data, including fingerprint, voice print, retina or iris image, or any other unique physical representation, and any other information protected by state or federal law.

## **VIII. SUBCONTRACTS**

A. The Contractee may subcontract all or part of this Contract Agreement as agreed to during contract negotiation. The Contractor reserves the right of approval for any subcontracts and the Contractee shall report information relating to subcontracts to the Contractor. A change in a subcontractor or a change from direct service provision to a subcontract may only be executed with the prior written approval of the Contractor. In addition, Contractor approval may be required regarding the terms and conditions of the subcontracts, and the subcontractors selected. Approval of the subcontractors will be withheld if the

Contractor reasonably believes that the intended subcontractor will not be a responsible provider in terms of services provided.

B. The Contractee retains responsibility for fulfillment of all terms and conditions of this Contract Agreement when it enters into sub-contractual agreements and will be subject to enforcement of all the terms and conditions of this Agreement.

## **IX. GENERAL PROVISIONS**

A. Any payments of monies to the Contractee by the Contractor for services provided under this Contract Agreement shall be deposited in a bank with Federal Deposit Insurance Corporation (hereinafter FDIC) insurance coverage. Any balance exceeding FDIC coverage must be collaterally secured.

B. The Contractee shall conduct all procurement transactions in a manner that provides maximum open and free competition.

C. The Contractee shall not engage the services of any person or persons concurrently employed by the State of Wisconsin, including any Department, commission or board thereof, to provide services relating to this Contract Agreement without the written consent of the employer of such person or persons and of the Contractor.

D. This Contract Agreement is voidable if the Contractee is a state public official, a member of a state public official's immediate family, or an organization in which the official or immediate family member owns or controls at least 10% of the outstanding equity, voting rights, or outstanding indebtedness and failed to make the written disclosure required under sec. 19.45 Wis. Stats. This disclosure is required to be made to the State of Wisconsin Government Accountability Board, 44 East Mifflin Street, Suite 601, Madison WI 53703, [Telephone (608) 266-8123].

E. If the Contractee or any subcontractor is a corporation other than a Wisconsin corporation, it must demonstrate prior to providing services under this Contract Agreement that it possesses a certificate of authority from the Wisconsin Secretary of State, and must have, and continuously maintain, a registered agent, and otherwise conform to all requirements of Chapters 180 and 181, Wisconsin Statutes, relating to foreign corporations.

F. The Contractee agrees that funds provided under this Contract Agreement shall be used to supplement or expand the Contractee's current public health service efforts, not to replace or allow for the release of available local (Contractee) funds for alternative uses. If the Contractor determines that local funds supporting public health services or funds under this Agreement have been released for alternative uses (supplanting), the Contractee may be subject to a proportionate reduction in funding under this Agreement in the current or subsequent contract year.

## **X. ACCOUNTING REQUIREMENTS**

A. For Contract Agreements of twenty-five thousand dollars (\$25,000) or more, the Contractee shall maintain a uniform double entry, full accrual accounting system and a financial management information system in accordance with Generally Accepted Accounting Principles. (See DHS' Allowable Cost Policy Manual, available upon request from the Contract Administrator or from the Audit Section, Division of Enterprise Services, Department of Health Services, One West Wilson Street, PO Box 7850, Madison WI 53707-7850.)

B. For Contract Agreements of less than twenty-five thousand dollars (\$25,000), the Contractee shall at least maintain a simplified double entry bookkeeping system as defined in the Department's Allowable Cost Policy Manual.

C. The Contractee's accounting system shall allow for accounting of total funds included in this Contract Agreement, and document that contract funds were not diverted outside of such set of programs. Diversion outside of the set of programs included in this Agreement will be subject to recoupment.

D. The Contractee shall reconcile costs and match to expenses recorded in the Contractee's accounting or simplified bookkeeping system on an ongoing and periodic basis. The Contractee agrees that reconciliation will be completed at least quarterly, will be documented, and supplied to the Contractor upon request. The Contractee shall retain the reconciliation documentation in accordance with the record retention requirement specified in Section XV.

E. Expenditures of funds from this Contract Agreement must meet the Department's allowable cost definitions as defined in the Department's Allowable Cost Policy Manual.

## **XI. CHANGES IN ACCOUNTING PERIOD**

A. The Contractee's accounting records are maintained on a fiscal year basis, beginning on the date indicated in the CARS Payment Information section of this contract. During the contract period, the accounting period may only be changed with prior written approval from the Contractor. The Contractor may approve a change in accounting period only if the Contractee has a substantial, verifiable business reason for changing the accounting period and agrees to submit a closeout audit, as defined in section (XIII, H), within 90 days after the first day of the new accounting period.

B. Proof of Internal Revenue Service approval shall be considered verification that the Contractee has a substantial business reason for changing its accounting period.

C. A change in accounting period shall not relieve the Contractee of reporting or audit requirements of this Contract Agreement. An audit meeting the requirements of this Agreement shall be submitted within 90 days after the first day of the start of the new accounting period for the short accounting period and within 180 days of the close of the new accounting period for the new period. For purposes of determining audit requirements, expenses and revenues incurred during the short accounting period shall be annualized.

## **XII. PROPERTY MANAGEMENT REQUIREMENTS**

A. Property insurance coverage will be provided by the Contractee for fire and extended coverage of any equipment funded under this Contract Agreement which the Contractor retains ownership of, and which is in the care, custody and control of the Contractee.

B. The Contractor shall have all ownership rights in any hardware funded under this Contract Agreement or supplied by the Contractor and in any software or modifications thereof and associated documentation designed, developed or installed as a result of this Agreement. The Contractee is responsible for keeping all of Contractor's property secure from theft, damage or other loss.

C. The Contractee agrees that if any materials are developed under this Contract Agreement, the Contractor shall have a royalty-free, non-exclusive, and irrevocable right to reproduce, publish or otherwise use, and to authorize others to use, such materials. Any discovery or invention arising out of, or developed in the course of work aided by this Agreement, shall be promptly and fully reported to the Contractor.

## **XIII. AUDIT REQUIREMENTS**

A. Requirement to Have an Audit: Unless waived by the Contractor, the Contractee shall submit an annual audit to the Contractor if the total amount of annual funding provided by the Contractor (from any and all of its Divisions taken collectively) through this and other contracts is \$25,000 or more. In determining the amount of annual funding provided by the Contractor, the Contractee shall consider both: (a) funds provided through direct contracts with the Contractor; and (b) funds from the Contractor passed through another agency which has one or more contracts with the Contractee.

B. Audit Requirements: The audit shall be performed in accordance with auditing standards generally accepted in the United States of America, s.46.036, Wis. Stats., *Government Auditing Standards*, issued by the U.S. Government Accountability Office; and the Department of Health Services Audit Guide ([www.ssag.state.wi.us](http://www.ssag.state.wi.us)).

1. The audit shall also comply with the requirements in OMB Circular A-133 “Audits of States, Local Governments, and Non-Profit Organizations” if the agency meets the criteria for needing a federal single audit.

C. Reporting Package: The Contractee shall send to the Contractor a reporting package which includes the following:

1. Financial statements and other audit schedules and reports required for the type of audit applicable to the Contractee.
2. The Management Letter (or similar document conveying auditor's comments issued as a result of the audit) *or* written assurance that a Management Letter was not issued with the audit report.
3. Management responses/corrective action plan for each audit issue identified in the audit.

D. Sending the Reporting Package: The Contractee shall send one copy of the required reporting package to the Contractor either: (a) within nine (9) months of the end of the Contractee’s fiscal year if the Contractee is a local government, or (b) within 180 days of the end of the Contractee’s fiscal year for non-governmental Contractee agencies. Reports sent to DHS may be in either paper or electronic pdf format. Paper copies of audit reports may be sent to the following address:

Attn: DHS Auditors  
Division of Enterprise Services  
Department of Health Services  
1 West Wilson Street, Room 627  
PO Box 7850  
Madison WI 53707-7850

Reports in pdf format may be sent to DHS Auditors at the following email address:  
DHSAuditors@Wisconsin.gov

E. Access to Auditor's Work Papers: When contracting with an audit firm, the Contractee shall authorize its auditor to provide access to work papers, reports, and other materials generated during the audit to the appropriate representatives of the Department. Such access shall include the right to obtain copies of the work papers and computer disks, or other electronic media, upon which records/working papers are stored.

F. Access to Contractee Records: The Contractee shall permit appropriate representatives of the Department and/or the Contractor to have access to the Contractee's records and financial statements as necessary to review Contractee's compliance with the Federal and State requirements for the use of the funding.

G. Failure to Comply with the Requirements of this Section: In the event that the Contractee fails to have an appropriate audit performed or fails to provide a complete audit report to the Contractor within the specified timeframes, in addition to applying one or more of the remedial measures available in Section XVII of this contract, the Contractor may:

1. Conduct an audit or arrange for an independent audit of the Contractee and charge the cost of completing the audit to the Contractee;
2. Charge the Contractee for all loss of Federal or State aid or for penalties assessed to the Contractor because the Contractee did not submit a complete audit report within the required timeframe; and/or
3. Disallow the cost of audits that do not meet these standards.

H. Closeout Audits:

1. A specific audit of an accounting period of less than twelve (12) months is required when an agreement is terminated for cause, when the Contractee ceases operations or when the Contractee



changes its accounting period (fiscal year). The purpose of the audit is to closeout the short accounting period. The required closeout audit may be waived by the Contractor upon written request from the Contractee, except when the agreement is terminated for cause. The required closeout audit may not be waived when an agreement is terminated for cause.

2. The Contractee shall ensure that its auditor contacts the Contractor prior to beginning the audit. The Contractor, or its representative, shall have the opportunity to review the planned audit program, request additional compliance or internal control testing and attend any conference between the Contractee and the auditor. Payment of increased audit costs, as a result of the additional testing requested by the Contractor, is the responsibility of the Contractee.

3. The Contractor may require a closeout audit that meets the audit requirements specified in XIII, 2 above. In addition, the Contractor may require that the auditor annualize revenues and expenditures for the purposes of applying OMB Circular A-133 and determining major Federal financial assistance programs. This information shall be disclosed in a note to the schedule of Federal awards.

4. All other provisions in the Audit Requirements section apply to Closeout Audits unless in conflict with the specific Closeout Audits requirements.

#### **XIV. OTHER ASSURANCES**

A. The Contractee shall notify the Contractor in writing, within thirty (30) days of the date payment was due of any past due liabilities to the Federal Government, State Government or their agents for income tax withholding, FICA, Workers' Compensation, Unemployment Compensation, garnishments or other employee related liabilities, Sales Tax, Income Tax of the Contractee, or other monies owed. The written notice shall include the amount(s) owed, the reason the monies are owed, the due date, the amount of any penalties or interest, known or estimated, the unit of government to which the monies are owed, the expected payment date and other related information.

B. The Contractee shall notify the Contractor, in writing, within thirty (30) days of the date payment was due, of any past due payment in excess of five hundred dollars (\$500), or when total past due liabilities to any one or more vendors exceed one thousand dollars (\$1000), related to the operation of this Contract Agreement for which the Contractor has reimbursed or will reimburse the Contractee. The written notice shall include the amount(s) owed, the reason the monies are owed, the due date, the amount of any penalties or interest, known or estimated, the vendor to which the monies are owed, the expected payment date and other related information. If the liability is in dispute, the written notice shall contain a discussion of facts related to the dispute and the information on steps being taken by the Contractee to resolve the dispute.

C. The Contractor may require written assurance at the time of entering into this Contract Agreement that the Contractee has in force and will maintain for the course of this Agreement employee dishonesty bonding in a reasonable amount to be determined by the Contractor.

D. The Contractee certifies that neither the Contractee organization nor any of its principals are debarred, suspended, or proposed for debarment for Federal financial assistance (e.g., General Services Administration's List of Parties Excluded from Federal Procurement and Non-Procurement Programs). The Contractee further certifies that potential sub-recipients, contractors, or any of their principals are not debarred, suspended or proposed for debarment.

#### **XV. RECORDS**

A. The Contractee shall maintain such records (in either written or electronic form) as required by State and Federal law and as required by program policies. Records shall be retained for no less than the retention period specified in law or policy. Records for periods which are under audit or subject to dispute or litigation must be retained until the audit, dispute or litigation, and any associated appeal periods, have ended.

B. The Contractee will allow inspection of records and programs, insofar as is permitted by State and Federal law, by representatives of the Contractor and its authorized agents, and Federal agencies, in order to confirm the Contractee's compliance with the specifications of this Contract Agreement.

C. The Contractee agrees to retain and make available to the Contractor all program and fiscal records in accordance with the retention period specified in paragraph 1 above. Upon the Contractor's request, at the expiration of the Contract Agreement, the Contractee will transfer at no cost to the Contractor, records regarding the individual recipients who received services from the Contractee under this Agreement.

D. The transfer of records includes transfer of any record, regardless of media, if that is the only method under which records were maintained.

E. The Contractee and its subcontractors shall comply with all State and Federal confidentiality laws concerning the information in both the records it maintains and in any of the Contractor's records that the Contractee accesses to provide the services under this Contract Agreement.

## **XVI. AGREEMENT REVISIONS AND/OR TERMINATION**

A. The Contractee agrees to re-negotiate with the Contractor this Contract Agreement or any part thereof in such circumstances as:

1. Increased or decreased volume of services as required by the Contractor;
2. Changes required by State and Federal law or regulations, or court action; or,
3. Increase or reduction in the monies available affecting the substance of this Agreement.

Failure to agree to a re-negotiated Contract Agreement under these circumstances is cause for the Contractor to terminate this Agreement.

B. This Contract Agreement can be terminated for any reason by a 30-day written notice by either party.

C. Revision of this Contract Agreement may be made by mutual agreement. The revision will be effective only when the Contractor and Contractee attach an addendum or amendment to this Agreement, which is signed by the authorized representatives of both parties, except in circumstances in which increased caseload or grant award amount, where such increase in funds is for the same purpose as originally agreed upon, the Agreement may be amended by a unilateral amendment made by the Contractor.

D. The Contractee shall notify the Contractor whenever it is unable to provide the required quality or quantity of services required. Upon such notification, the Contractor shall determine whether such inability will require revision or termination of this Contract Agreement.

E. If the Contractor finds it necessary to terminate this Agreement prior to the stated expiration date for reason other than non-performance by the Contractee, actual costs incurred by the Contractee may be reimbursed for an amount determined by mutual agreement of both parties. Fiscal liabilities that the Contractor may have to its funding sources because of the Contractee's service performance or fiscal practices shall be a controlling factor in arriving at a reimbursement agreement.

F. The Contractor reserves the right, upon careful examination, to reduce the total amount of the Contract Agreement due to significant under spending by the Contractee. All such Contract Agreement reductions will become effective upon thirty (30) days written notice to the Contractee and shall not relieve the Contractee of any programmatic requirements.

## **XVII. NON-COMPLIANCE AND REMEDIAL MEASURES**

A. Failure to comply with any part of this Contract Agreement may be considered cause for revision, suspension or termination of this Agreement. Suspension includes withholding part or all of the payments that otherwise would be paid the Contractee under this Agreement, temporarily having others perform, and

receive reimbursement for, the services to be provided under this Agreement and any other measure that suspends the Contractee's participation in the Agreement if the Contractor determines it is necessary to protect the interests of the State.

B. The Contractee shall provide written notice to the Contractor of all instances of non-compliance with the terms of this Agreement by itself or its subcontractors, including non-compliance with allowable cost provisions. Notice shall be given as soon as practicable but in no case later than thirty (30) days after the Contractee knows, or should have known, about the non-compliance. The written notice shall include information on reason(s) for and effect(s) of the non-compliance. The Contractee shall provide the Contractor with a plan to correct the non-compliance. At its sole discretion, the Contractor may take whatever action it deems necessary to protect the interests of the state, including withholding part or all of the Contractee's funding, if it reasonably believes that the non-compliance is continuing or will reoccur.

C. If the Contractor determines that non-compliance with requirements in this Contract Agreement has occurred, or is occurring, it shall demand immediate correction of continuing non-compliance and it may impose whatever remedial measures it deems necessary to protect the interests of the State. Such measures may include termination of the Agreement, suspension of the Agreement as defined in paragraph A above, imposing additional reporting requirements and monitoring of subcontractors and any other measures it deems appropriate and necessary.

D. If audits are not submitted when due, the Contractor may take action pursuant to Section XIII of this Contract Agreement.

E. If required program deliverables or other required information or reports, other than audits, are not submitted when due, the Contractor may withhold all payments that otherwise would be paid the Contractee under this Contract Agreement until such time as the reports and information are submitted. In addition, the Contractor can hold implementation of continuation of this Agreement pending submittal of this documentation.

## **XVIII. DISPUTE RESOLUTION**

If any dispute arises between the Contractor and Contractee under this Contract Agreement, including the Contractor's finding of non-compliance and imposition of remedial measures, the following process will be the exclusive administrative review.

A. The Contractor's and Contractee's Contract Administrators will attempt to resolve the dispute, in coordination with the Division of Public Health Regional Office Director and appropriate program staff within the Division.

B. If the dispute cannot be resolved by the Contract Administrators, the Contractee may ask for review by the Administrator of the Division of Public Health.

C. If the dispute is still not resolved, the Contractee may request a final review by the Secretary of the Department of Health Services.

## **XIX. FINAL REPORT DATE**

A. The due date of the final fiscal report shall be ninety (90) days after the Contract Agreement period ending date.

B. Expenses incurred during the Contract Agreement period but reported later than ninety (90) days after the period ending date will not be recognized, allowed or reimbursed under the terms of this Grant Agreement.

## **XX. INDEMNITY**

The Contractor and Contractee agree they shall be responsible for any losses or expenses (including costs, damages, and attorney's fees) attributable to the acts or omissions of their officers, employees or agents.

**XXI. SURETY BOND**

The Contractor may require the Contractee to have a surety bond. The surety bond shall be in force for the period of the Contract Agreement and shall be a reasonable amount to be determined by the Contractor. The amount of the bond shall be no less than the amounts of any pre-payments under this Agreement.

**XXII. CONDITIONS OF THE PARTIES' OBLIGATIONS**

A. This Contract Agreement is contingent upon authorization of Wisconsin and United States law, and any material amendment or repeal of the same affecting relevant funding or authority of the Contractor shall serve to revise or terminate this Agreement, except as further agreed to by the parties hereto.

B. The Contractor and Contractee understand and agree that no clause, term or condition of this Contract Agreement shall be construed to supersede the lawful powers or duties of either party.

C. It is understood and agreed that the entire Contract Agreement between the parties is contained herein, except for those matters incorporated herein by reference, and that this Agreement supersedes all oral agreements and negotiations between the parties relating to the subject matter thereof.

