

2009 PURCHASE OF SERVICE CONTRACT

Contract No.:

Federal I.D. No.: 22-3392819

This Contract between Milwaukee County, a Wisconsin municipal body corporation represented by the Milwaukee County Department of Child Support Enforcement, located at Room 101 - Courthouse, 901 N. 9th St., Milwaukee, WI 53233 (hereinafter called County) and Orchid Cellmark Inc., a Delaware corporation having a principal place of business at 4390 U.S. Route One North, Princeton, NJ 08540 (hereinafter called Contractor) becomes effective on February 1, 2009.

1. SCOPE OF SERVICE

Contractor shall specifically perform all of the services and achieve the objectives as set forth in its application submitted to County, and as indicated in the Attachment I, Schedule of Services to be Purchased and Compensation.

2. STAFFING AND DELIVERY OF SERVICES

Contractor shall provide all personnel required to perform the services under this Contract, including personnel to fully staff its courthouse draw site and the administrative position within the Department of Child Support Enforcement. Such personnel shall not be employees of, or have any other contractual relationships with County. Any replacement of personnel listed in Contractor's proposal shall be by persons of like qualifications, which shall be attested to by Contractor. Written notification of replacement of personnel shall be provided to County prior to replacement. Contractor shall not replace named personnel without the prior written approval of County. Any proposed replacement of named personnel shall be by persons of equal qualification.

Except as provided herein, Contractor shall determine the methods, procedures, and personnel policies to be used in initiating and furnishing services under this contract.

Contractor shall comply with all Federal, State, and local laws and regulations and shall maintain in good standing all licenses, permits, and certifications relating to the services referred to herein.

3. DATES OF PERFORMANCE

This Contract is for the period of February 1, 2009 through December 31, 2011 unless this Agreement is otherwise renewed or extended. County shall have the option of extending this Agreement for two additional one-year periods under the same terms and conditions, and upon mutual consent of County and Contractor. Upon termination, Contractor agrees to cooperate with County in the transition to any successor vendor, including shipping any specimens to the successive vendor at no charge to County or the new vendor and providing County with a database identifying the samples in Contractor's possession that were collected under this contract and identifying the samples that were forwarded to the new vendor.

4. COMPENSATION

Contractor shall be compensated for the services performed as stated in Attachment I, Schedule of Services To Be Purchased and Compensation, attached hereto and made a part of this Contract. County is unable to guarantee the volume of requests funded by this Contract. The parties agree that section 66.0135, Wisconsin Statutes, Prompt Pay Law, shall not apply to payment for services provided hereunder.

Contractor agrees that at no time will the price charged County exceed the rate Contractor charges for rendering similar services elsewhere. If contractor grants more favorable financial terms to any State or local government entity in an agreement for comparable services, the more favorable financial terms shall be applicable to the services provided to County.

5. BILLING

Contractor shall provide County with billings for services provided in accordance with Attachment II, Payment Method and shall be paid in accordance therewith.

6. CONFIDENTIALITY

Any case information obtained by any employee of Contractor, pursuant to the services provided in this Agreement, is confidential. Any improper use or dissemination of information obtained will be considered grounds for sanction of Contractor and possible termination of this Contract. The obligations of this section survive any expiration or termination of this Contract.

County agrees to use test results received from Contractor only for purposes of the Child Support Enforcement program, and agrees not to otherwise use or disclose such results publicly.

7. OWNERSHIP OF SPECIMENS, RECORDS AND DATA

Ownership of all specimen samples, records, data and test results shall remain with Contractor, subject to Contractor's agreement to ship specimens to a successive vendor upon termination of this Agreement. Contractor shall preserve said specimen samples for a minimum period of seven years. Contractor shall maintain records of test results and invoices for a minimum of three years following completion of paternity testing, and furnish copies to County upon request.

8. RECORD KEEPING AND ACCESS TO RECORDS

Contractor shall maintain such records and financial statements as required by state and federal laws, rules, and regulations. Contractor shall retain all documentation necessary to adequately demonstrate the provision of services rendered under the Contract. County reserves the right to deny payment of, or require repayment for

units of services reported by Contractor that are not supported by documentation required under this Contract notwithstanding that Contractor may have provided the services.

Contractor shall maintain and, upon request, furnish to County, at no cost to County, any and all information requested by County relating to the provision of services covered by this Contract and shall allow authorized representatives of County, the Milwaukee County Department of Audit, and County's funding sources to have access to all records necessary to confirm Contractor's compliance with law and the specifications of this Contract and any current relevant policies and procedures.

It is agreed that County representatives, the Milwaukee County Department of Audit and representatives of appropriate Federal, State or local agencies, not inconsistent with the applicable provisions of state and federal laws and regulations relating to the confidentiality of case records, shall have the right to inspect at all reasonable times case records, program and financial records and such other records of Contractor as may be requested to evaluate or confirm Contractor's charges for services or as may be necessary to evaluate or confirm Contractor's delivery of services.

It is further agreed that files, records and correspondence for this engagement must be retained for a period of at least four (4) years from the date of issuance of certified financial and compliance audit reports. Records shall be retained beyond the four-year period if an audit is in progress or exceptions have not been resolved.

PROVISION FOR DATA AND INFORMATION SYSTEMS COMPLIANCE

Contractor shall either utilize computer applications that comply with County standards in maintaining program data related to the contract, or bear full responsibility for the cost of converting program data into formats useable by County applications. Contractor will comply with all applicable federal, state and county laws, rules and regulations, applicable to data processing and information systems compliance including, but not limited to, the provisions of the Milwaukee County Resolution on Security Policy and Guidelines, File No. 92-546, as it applies to data processing security and the "Milwaukee County Use of Technologies Policy" (See <http://www.milwaukeecounty.org>).

9. INSPECTION OF PREMISES AND COUNTY SITE AUDITS

Contractor shall allow visual inspection of Contractor's premises to County representatives and to representatives of any other local, state, or federal government unit. Inspection shall be permitted without formal notice at any times that care and services are normally being furnished.

Contractor and County mutually agree that County or County's representatives including the Milwaukee County Department of Child Support Enforcement and the Milwaukee County Department of Audit as well as state and federal officials, reserve the right to review Board approved by-laws, minutes, policies and procedures, employee files and employment records, client attendance and case records, billing

and accounting records, financial statements, certified audit reports, auditor's supporting work papers and computer disks, or other electronic media, which document the audit work, and perform such additional audit procedures as may be deemed necessary and appropriate, it being understood that additional overpayment refund claims or adjustments to prior claims may result from such reviews. Such reviews may be conducted for a period of at least four (4) years following the latter of Contract termination, or receipt of audit report, if required.

10. AUDIT REQUIREMENTS

- A. Contractor shall submit to Milwaukee County, on or before **June 30, 2010** or such later date that is mutually acceptable to Contractor and Milwaukee County, **two (2) original copies** of an Agency-wide Audit for Calendar Year 2009, or annual reports on Form 10-K, if the total amount of annual funding provided by Milwaukee County through this and other contracts and agreements is \$25,000 or more, unless waived by Milwaukee County. Contractor may request, and with written consent of County provide an annual Program Audit in lieu of the annual Agency-wide Audit. The audit shall be performed by an independent certified public accountant (CPA) licensed to practice by the State of Wisconsin. CPA audit reports are required under Wisconsin Statutes, Section 46.036 (4)(c).

Contractors reporting on a fiscal year other than a calendar year shall be considered in compliance with the audit requirements upon submittal of Contractor's fiscal year audit, meeting the audit requirements in Section Eleven, part A subparts (1),(2), and (3) below, within 180 days of the fiscal year closing, plus financial statements including required supplemental schedules covering the period from the start of the fiscal year beginning in 2009 through December 31, 2009, compiled by a CPA licensed to practice by the State of Wisconsin. Compiled supplemental schedules are due by June 30, 2010.

Non-profit Contractors who received aggregate federal financial assistance of \$500,000 or more, either directly or indirectly, shall submit to Milwaukee County, on or before **June 30, 2010** or such later date that is mutually acceptable to Contractor and County, **two (2) original copies** of a certified audit report for Calendar Year 2009 performed in accordance with the Office of Management and Budget (OMB) Circular A-133, Audits of States, Local Governments and Non-Profit Organizations (on line at www.whitehouse.gov/omb/circulars) if the Contractor meets the criteria of that Circular for needing an audit in accordance with that Circular. The audit submitted by Contractor shall also be conducted in conformance with the following standards:

1. Standards applicable to financial audits contained in *Government Auditing Standards* (GAS) most recent revision published by the Comptroller General of the United States; and
2. Generally accepted auditing standards (GAAS) adopted by the American Institute of Certified Public Accountants (AICPA).

Requests for substitution of Program Audit for Agency-wide Audit, waiver, and/or

extension must be in writing and submitted before the original due date of the audit. Audit reports and requests for substitution of Program Audit for Agency-wide Audit, waiver and/or extension must be sent to the following address no later than six months after the end of the Contractor's fiscal year, or such later date mutually agreed to by Contractor and Milwaukee County:

Lisa J. Marks, Director
Department of Child Support Enforcement
Room 101 - Courthouse
901 N. 9th Street
Milwaukee, WI 53233

Financial Statements shall be prepared in conformity with accounting principles generally accepted in the United States of America and on the accrual basis of accounting. Contractor must request, and receive written consent of County to use other basis of accounting in lieu of accrual basis of accounting. CPA audits and reports referenced above shall contain the following Financial Statements, Schedules and Auditors' Reports:

(1) Financial Statements and Supplemental Schedules:

- a. **Comparative Statements of Financial Position** – For Agency-wide audits only.
- b. **Statement of Activities** – For Agency-wide audits only.
- c. **Statement of Cash Flows** – For Agency-wide audits only.
- d. Schedule of Federal and State Awards broken down by contract year. The schedule shall identify the name of the Milwaukee County Department as pass-through grantor, the contract number as pass-through grantor's identifying number, and the program name and number from the Attachment I of the contract. Each program or service under County Contract must be reported as a separate line item by contract year.

(2) Independent Auditors Reports and Comments:

- a. "Opinion on Financial Statements and Supplementary Schedule of Expenditures of Federal and State Award" including comparative statements of financial position, and related statements of activities and cash flow of entire agency.

Or, for Program Audits

"Opinion on the Financial Statement of a Program in Accordance with the Program Audit."

- b. Report on Compliance and Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards (GAS).

Or, for Program Audits

“Report on Compliance with Requirements Applicable to the Program and on Internal Control over Compliance Performed in Accordance with the Program Audit.”

- c. “Report on Compliance with Requirements Applicable to Each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133” (applicable only if the audit is also in accordance with OMB Circular A-133).
- d. Schedule of findings and questioned costs to include:
- Summary of auditor’s results on financial statements, internal control over financial statements and compliance, and if applicable; the type of report that the auditor issued on Compliance for Major Federal Programs;
 - Findings related to the financial statements of the Contractor or of the program which are required to be reported in accordance with Generally Accepted Government Auditing Standards (GAGAS);
 - Findings and Questioned Costs for Federal Awards which shall include audit findings as defined in section .510(a) of OMB Circular A-133, if applicable;
 - Doubt on the part of the auditors as to the auditee’s ability to continue as a going concern;
 - Other audit issues related to grants/contracts with funding agencies that require audits to be performed; and
 - Whether a Management Letter or other document conveying audit comments was issued as a result of the audit.
- e. A copy of the Management Letter or other document issued in conjunction with the audit shall be provided to County. If no Management Letter was issued, the schedule of findings and questioned costs shall state that no Management Letter was issued.

(3) Contractor Prepared Schedules and Responses:

- a. Schedule of prior-year audit findings indicating the status of prior-year findings related to County funded programs. If no prior year findings were reported, the schedule must state that no prior year findings were reported.
- b. Corrective action plan for all current-year audit findings related to County funded programs and/or financial statements of the Contractor.

The corrective action plan shall be prepared by Contractor, and must include the following: name of the contact person responsible for the preparation and implementation of the corrective action plan; the planned corrective action; and, the dates of implementation and anticipated completion.

- c. Management's responses to each audit comment and item identified in the auditor's Management Letter.

(4) General:

The following is a summary of the general laws, rules and regulations with which the auditor should be familiar in order to satisfactorily complete the audit.

- a. Government Auditing Standards, (Standards for Audit of Governmental Organizations, Programs, Activities, and Functions), June 2003 Revision.
- b. OMB Circular A-133, Audits of States, Local Governments and Non-Profit Organizations, including revisions published in *Federal Register* 06/27/03.
- c. OMB Circular A-133, - Appendix B: 2000 Compliance Supplement
- d. OMB Circular A-122, Cost Principles for Non-Profit Organizations.
- e. OMB Circular A-87, Cost Principles for State, Local and Indian Tribal Governments.
- f. OMB Circular A-21, Cost Principles for Educational Institutions.
- g. Appendix E of 45 CFR part 74, Principles for Determining Costs Applicable to Research and Development Under Grants and Contracts with Hospitals.
- h. The allowability of costs incurred by commercial organizations and those non-profit organizations listed in Attachment C to OMB Circular A-122 is determined in accordance with the provisions of the Federal Acquisition Regulation (FAR) at 48 CFR part 31 - Contract Cost Principles and Procedures.
- i. OMB Circular A-102, Grants and Cooperative Agreements with State and Local Governments.
- j. OMB Circular A-110, Uniform Administrative Requirements for Grants and Agreements With Institutions of Higher Education, Hospitals, and Other Non-Profit Organizations.
- k. Wisconsin State Statutes, Sections 46.036, 49.34, Purchase of Care and Services.
- l. State of Wisconsin, Department of Administration Single Audit Guidelines - Current Revision.

m. AICPA Generally Accepted Auditing Standards.

- B. Contractor hereby authorizes and directs its Certified Public Accountant, if requested, to share all work papers, reports, and other materials generated during the audit with County or County's representative(s) including the Milwaukee County Department of Child Support Enforcement and the Milwaukee County Department of Audit as well as state and federal officials. Such direct access shall include the right to obtain copies of the work papers and computer disks, or other electronic media, which document the audit work. Contractor shall require its CPA to retain work papers for a period of at least four (4) years following the latter of Contract termination, or receipt of audit report by County.
- C. Contractor and County mutually agree that County or County's representative(s), including the Milwaukee County Department of Child Support Enforcement and the Milwaukee County Department of Audit, as well as state and federal officials, reserve the right to review certified audit reports, supporting workpapers, or financial statements, and perform additional audit work as deemed necessary and appropriate, it being understood that additional overpayment refund claims or adjustments to prior claims may result from such reviews. Such reviews may be conducted for a period of at least four (4) years following the latter of contract termination, or receipt of audit report, if required.
- D. Contractors reporting on a **fiscal year other than a calendar year shall be considered in compliance with contract reporting requirements** upon submittal of the following **unaudited** schedules:
- (1) A schedule of contract charges covering the period from the end of the Contractor's fiscal year ended in 2009 through December 31, 2009, for each program or activity identified as a fee for service agreement with Milwaukee County, referenced as a line item on the Attachment I of a Purchase of Service Contract. The schedule(s) shall be compiled by Contractor's independent public accountant, with an accountant's compilation report, for the period from the close of Contractor's fiscal year through the end of the calendar year, on or before June 30, 2009, or such later date that is mutually acceptable to Contractor and County.
 - (2) If Contractor's fiscal year encompasses two contract years, Contractor shall submit a "bridging schedule" prepared by a CPA, which identifies contract charges for each of the two calendar year contract periods. The "bridging schedule" shall reconcile the two calendar year contract periods to the fiscal year totals for each program reported in the most current fiscal year audit report.
- E. Contractor shall maintain records for audit purposes for a period of at least four (4) years following the latter of contract termination or receipt of audit report by County.

F. Contractors' Subrecipients

Contractors who subcontract with other providers for the provision of services are required by federal and state regulations to monitor their subrecipients.

Contractors shall have on file, and available for review by Milwaukee County and its representatives, copies of subrecipient's CPA audit reports and financial statements. These reports and financial statements shall be retained for a period of at least four (4) years following the latter of contract termination, or receipt of audit report, if required.

Subrecipient shall maintain and, upon request, furnish to County, at no cost to County, any and all information requested by County relating to the cost of services covered by the subcontract and shall allow authorized representatives of County, the Milwaukee County Department of Audit and County's funding sources to have access to all records necessary to confirm subrecipient's compliance with law and the specifications of this Contract and the subcontract.

It is agreed that County representatives, the Milwaukee County Department of Audit and representatives of appropriate state or federal agencies shall have the right of access to program, financial and such other records of subrecipient as may be requested to evaluate or confirm subrecipient's charges for service, or as may be necessary to evaluate or confirm subrecipient's delivery of service. It is further understood that files, records and correspondence for subcontracted engagement must be retained by subrecipient for a period of at least four (4) years following the latter of contract termination, or receipt of subrecipient's audit report, if required.

Subrecipient shall allow visual inspection of subrecipient's premises to County representatives and to representatives of any other local, state, or federal government unit. Inspection shall be permitted without formal notice at any time that care and services are being furnished.

G. Failure to Comply with Audit Requirements:

If Contractor fails to have an appropriate audit performed or fails to provide a complete audit-reporting package to the County as required by this Contract within the specified timeframe, the County may:

- a. Conduct an audit or arrange for an independent audit of Contractor and charge the cost of completing the audit to Contractor;
- b. Charge Contractor for all loss of Federal or State aid or for penalties assessed to County because Contractor did not submit a complete audit report within the required time frame;
- c. Disallow the cost of the audit that did not meet the applicable standards; and/or

- d. Withhold payment, cancel the contract/agreement, or take other actions deemed by County to be necessary to protect the County's interests.

H. County Waiver of Audit Requirements under this Section

If the County has waived the audit requirement for this Contract under Wisconsin Statute s.46.036, this waiver does not absolve Contractor from meeting any federal audit requirements that may be applicable or any audit requirements of other contracts. Waiver of the audit, or failure of Contractor to receive County funding under this Contract and other County Agreements at a level that would require an audit does not absolve Contractor from submitting an un-audited schedule of program revenue and expenses as a final accounting to determine final settlement under this Contract.

11. NON-DISCRIMINATION, AFFIRMATIVE ACTION, CIVIL RIGHTS, AND EQUAL EMPLOYMENT OPPORTUNITY

No eligible client or patient shall be unlawfully denied services or be subjected to discrimination because of age, race, religion, color, national origin, sex, sexual orientation, location, handicap, physical condition, or developmental disability as defined in s. 51.01(5) Wisconsin Statutes.

Contractor agrees not to unlawfully discriminate against any employee or applicant for employment because of age, race, religion, color, national origin, sex, sexual orientation, handicap, physical condition, or developmental disability as defined in s. 51.01(5) Wisconsin Statutes.

Contractor agrees to comply with the provisions of Section 56.17 County General Ordinances which is attached hereto by reference and incorporated herein as though fully set forth herein.

12. INDEMNITY & INSURANCE

- A. Contractor agrees to the fullest extent permitted by law, to indemnify, defend and hold harmless, the County, its officers and employees, from and against all loss or expense including costs and attorney's fees by reason of liability for damages including suits at law or in equity, caused by any wrongful, intentional, or negligent act or omission of the Contractor, or its (their) agents which may arise out of or are connected with the activities covered by this Agreement.
- B. Contractor agrees to evidence and maintain proof of financial responsibility to cover costs as may arise from claims of tort, malpractice, errors and omissions, statutes and benefits under Workers' Compensation laws and/or vicarious liability arising from employees, board members and volunteers. Such evidence shall include insurances covering Workers' Compensation claims as required by the State of Wisconsin, Commercial General Liability and/or Business Owner's Liability, Automobile Liability (if the Agency owns or leases any vehicles) and Professional Liability (where applicable) in the minimum amounts listed below.

- C. Automobile insurance that meets the Minimum Limits as described in this Agreement is required for all agency vehicles (owned, non-owned, and/or hired). In addition, if any employees of Contractor will use personal vehicles for any purpose related to this Agreement, those employees shall have Automobile Liability Insurance providing the same liability limits as required of the Contractor through any combination of employee Automobile Liability and employer Automobile or General Liability Insurance which in the aggregate provides liability coverage, while employee is acting as agent of employer, on the employee's vehicle in the same amount as required of the Contractor.
- D. If the services provided under the contract constitute professional services, Contractor shall maintain Professional Liability coverage as listed below. Treatment providers (including psychiatrists, psychologists, social workers) who provide treatment off premises must obtain General and Professional Liability coverage (on premises liability and off-premise liability), to which Milwaukee County is added as an additional insured, unless not otherwise obtainable.
- E. It being further understood that failure to comply with insurance requirements may result in suspension:

TYPE OF COVERAGE	MINIMUM LIMITS
<u>Wisconsin Workers' Compensation</u> or Proof of all States Coverage	Statutory
<u>Employer's Liability</u>	\$100,000/\$500,000/\$100,000
<u>Commercial General Liability</u>	
Bodily Injury & Property Damage	\$1,000,000 - Per Occurrence
(Incl. Personal Injury, Fire, Legal Contractual & Products/Completed Operations)	\$1,000,000 - General Aggregate
<u>Automobile Liability</u>	
Bodily Injury & Property Damage	\$1,000,000 Per Accident
All Autos - Owned, Non-Owned and/or Hired Uninsured Motorists	Per Wisconsin Requirements
<u>Professional Liability</u>	
To include Certified/Licensed Mental Health and AODA Clinics and Providers	\$1,000,000 Per Occurrence \$3,000,000 Annual Aggregate
and Hospital, Licensed Physician or any other qualified healthcare provider under Sect 655 Wisconsin Patient Compensation Fund Statute	As required by State Statute
Any non-qualified Provider under Sec 655 Wisconsin Patient Compensation Fund Statute State of Wisconsin (indicate if Claims Made or Occurrence)	\$1,000,000 Per Occurrence/Claim \$3,000,000 Annual Aggregate

Other Licensed Professionals

\$1,000,000 Per Occurrence
\$2,000,000 Annual aggregate or
Statutory limits whichever is higher

Should the statutory minimum limits change, it is agreed the minimum limits stated herein shall automatically change as well

- F. Milwaukee County, as its interests may appear, shall be named as, and receive copies of, an "additional insured" endorsement, for general liability, automobile insurance, and umbrella/excess insurance. Milwaukee County must be afforded a thirty day (30) written notice of cancellation, or a non-renewal disclosure must be made of any non-standard or restrictive additional insured endorsement, and any use of non-standard or restrictive additional insured endorsement will not be acceptable.

Exceptions of compliance with "additional insured" endorsement are:

1. Transport companies insured through the State "Assigned Risk Business" (ARB).
 2. Professional Liability where additional insured is not allowed.
- G. Contractor shall furnish Purchaser annually on or before the date of renewal, evidence of a Certificate indicating the above coverages (with the Milwaukee County Department of Child Support Enforcement named as the "Certificate Holder") shall be submitted for review and approval by Purchaser throughout the duration of this Agreement. If said Certificate of Insurance is issued by the insurance agent, it is Contractor's responsibility to ensure that a copy is sent to the insurance company to ensure that the County is notified in the event of a lapse or cancellation of coverage.

CERTIFICATE HOLDER

Milwaukee County Department of Child Support Enforcement
Contract Administrator
Courthouse – Room 101
901 N. 9th Street
Milwaukee, WI 53233

- H. If Contractor's insurance is underwritten on a Claims-Made basis, the Retroactive date shall be prior to or coincide with the date of this Agreement, the Certificate of Insurance shall state that *professional malpractice or errors and omissions coverage, if the services being provided are professional services* coverage is Claims-Made and indicate the Retroactive Date, Contractor shall maintain coverage for the duration of this Agreement and for six (6) years following the completion of this Agreement.

It is also agreed that on Claims-Made policies, either Contractor or County may invoke the tail option on behalf of the other party and that the Extended Reporting Period premium shall be paid by Contractor.

- I. Binders are acceptable preliminarily during the provider application process to evidence compliance with the insurance requirements.

- J. All coverages shall be placed with an insurance company approved by the State of Wisconsin and rated "A" per Best's Key Rating Guide. Additional information as to policy form, retroactive date, discovery provisions and applicable retentions, shall be submitted to Purchaser, if requested, to obtain approval of insurance requirements.
- K. Any deviations, including use of purchasing groups, risk retention groups, etc., or requests for waiver from the above requirements shall be submitted in writing to the Milwaukee County Risk Manager for approval prior to the commencement of activities under this Agreement:

Milwaukee County Risk Manager
Milwaukee County Courthouse – Room 302
901 North Ninth Street
Milwaukee, WI 53233

13. WITHHOLDING OF PAYMENTS

Failure of Contractor to comply with contract requirements may result in withholding or forfeiture of any payments otherwise due Contractor from County by virtue of any County obligation to Contractor until such time as the contract requirements are met. County reserves the right to withhold payment or adjust Contractor's invoice and the payment procedures contained in the Attachment II, Payment Method, where Contractor fails to deliver the contracted services in accordance with the terms of this Contract, or any other relevant Milwaukee County Department of Child Support Enforcement administrative policies. Contractor shall cooperate fully in all utilization review, quality assurance, and complaint/grievance procedures, and submit in a timely manner (if required) annual audit reports, corrective action plans, or any other requests for additional information by County. County may withhold payment entirely until requested or required information is received or, if applicable, until a written corrective action plan for improvement in services, compliance, or internal accounting control is received and approved by County.

14. CONTRACT TERMINATION

This contract may be terminated thirty (30) days following written notice by County or Contractor for any reason, with or without cause, unless an earlier date is determined by County to be essential to the safety and well-being of the program participants served by this Contract. Failure to maintain in good standing required licenses, permits and/or certifications, may, at the option of the County, result in immediate termination of this contract. Failure to comply with any part of this Contract may be considered cause for early termination by the offended party.

In the event of termination, the County will only be liable for services rendered through the date of termination and not for the uncompleted portion, or any materials or services purchased or paid for by Contractor for use in completing this Contract.

This Contract may be renegotiated in the event of changes required by law, regulations, court action, or inability of either party to perform as required in this Contract. Revision of this Contract must be agreed to by both parties as evidenced by an addendum signed by their authorized representatives.

Contractor shall notify County, in writing, whenever it is unable to provide the required quality or quantity of services, or key personnel proposed in the application for contract are no longer available to provide services. Upon such notification, County and Contractor shall determine whether such inability will require a revision or early termination of this Contract.

In the event of termination, the Contractor will be notified in writing in accordance with the Section of this Contract regarding "Notices".

Should County reimbursement from state or federal sources not be obtained or continued at a level sufficient to allow for payment for services in this Contract, the obligations of each party shall be terminated. Reduction in reimbursement or payment from state or federal sources shall be sufficient basis for County to reduce the amount of payment to Contractor notwithstanding that Contractor may have provided the services.

County reserves the right to withdraw any qualified recipient from the program, service, institution or facility of the Contractor at any time, when in the judgment of County, it is in the best interest of County or the qualified recipient so to do.

15. CONTRACT RENEGOTIATION

This Contract may be renegotiated in the event of changes required by law, regulations, court action, or inability of either party to perform as committed in this Contract. Revision of this Contract must be agreed to by both parties as evidenced by an addendum signed by their authorized representatives.

16. INDEPENDENT CONTRACTOR

Nothing contained in this Contract shall constitute or be construed to create a partnership, joint venture or employee-employer relationship between County or its successors or assigns and Contractor or its successors or assigns. In entering into this Contract and in acting in compliance herewith, Contractor is at all times acting and performing as an independent contractor, duly authorized to perform the acts required of it hereunder.

17. SUBCONTRACTS

Assignment of any portion of the services by subcontract is prohibited except upon prior written approval of County.

18. CONTRACT ADJUSTMENTS

As set forth in section 46.09(1), Milwaukee County Code of General Ordinances, no contract or contract adjustment, except for services defined in subsection (3), shall take effect until approved by resolution of the County Board.

19. ASSIGNMENT LIMITATION

This contract shall be binding upon and inure to the benefit of the parties and their successors and assigns provided, however, that neither party shall assign its obligations hereunder without the prior written consent of the other. Contractor shall neither assign nor transfer any interest or obligation in this Contract without the prior written consent of County, unless otherwise provided herein.

20. RESOLUTION OF DISPUTES

Contractor may file a formal grievance or otherwise appeal decisions of County in accordance with County Policies and Procedures, and Milwaukee County Ordinances.

21. PROHIBITED PRACTICES

During the period of the Agreement, Contractor shall not hire, retain, or utilize for compensation any member, officer, or employee of the Milwaukee County Department of Child Support Enforcement representing County or any person who, to the knowledge of Contractor, has a conflict of interest, unless approved in writing by the Director of the Department of Child Support Enforcement. No employee of the Milwaukee County Department of Child Support Enforcement representing County shall be an officer, member of the Board of Directors, or have a proprietary interest in Contractor's business unless approved in writing by the Director of the Department of Child Support Enforcement.

Contractor attests that it is familiar with Milwaukee County's Code of Ethics, Chapter 9 of Milwaukee County Code of General Ordinances which states in part, " No person shall offer or give to any public official or employee, directly or indirectly, and no public official or employee shall solicit or accept from any person, directly or indirectly, anything of value if it could reasonably be expected to influence the public official's or employee's vote, official actions or judgment, or could reasonably be considered as a reward for any official action or inaction or omission by of the public official or employee. "

Said Chapter further states, "No person(s) with a personal financial interest in the approval or denial of a contract being considered by a County department or with an agency funded and regulated by a County department, may make a campaign contribution to any candidate for an elected County office that has final authority during its consideration. Contract considerations shall begin when a contract is submitted directly to a County department or to an agency until the contract has reached its final disposition, including adoption, county executive action, proceedings on veto (if necessary) or departmental approval."

The use or disclosure by any party of any information concerning eligible clients or patients who receive services from Contractor, for any purpose not connected with the administration of Contractor's or County's responsibilities under this Contract is prohibited, except with the informed written consent of the eligible client or patient or the guardian of the client or patient.

22. REQUIRED DISCLOSURES

Contractor shall furnish County with written disclosure of any financial interest, purchase or lease agreements, employment relationship, or professional services/consultant relationship which any of Contractor's employees, officers, board members, stockholders, or members of their immediate family may have with respect to any supplier to Contractor of goods and services under this Contract. The relationship extends to partnerships, trusts, corporations or any proprietary interest that could appear to or would allow one party to influence the other party in a related party transaction.

23. CERTIFICATION REGARDING DEBARMENT AND SUSPENSION

Contractor certifies to the best of its knowledge and belief, that Contractor's Business Entity; its Principals, including all owners, partners, or stockholders; and Contractor's Personnel, including, but not limited to, Contractor's employees, officers, directors, board members, consultants, contractors, and agents whether defined as "Key Personnel" or not, billed for under this Contract:

- A. Are not currently excluded, debarred, suspended, proposed for debarment, or otherwise ineligible to participate in any Federal procurement or non-procurement programs; or
- B. Have not been charged with a criminal offense that falls within the ambit of 42 U.S.C. s. 1320a-7(a), but for which they have not yet been excluded, debarred, suspended, or otherwise declared ineligible; or
- C. Have not been excluded, debarred, suspended, or otherwise declared ineligible or voluntarily excluded from covered transactions by any other federal, state, county or local governmental department or agency;
- D. Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from covered transactions by any federal, state, county or local governmental department or agency;
- E. Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining or attempting to obtain, or performing a public (federal, state or local) transaction or Agreement under a public transaction; violation of federal or state antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

- F. Are not presently indicted for or otherwise criminally charged by a governmental entity (federal, state or local) with commission of any of the offenses enumerated in (D); and
- G. Have not within a three-year period preceding this Agreement had one or more public transactions (federal, state or local) terminated for cause or default.

DEBARMENT BY MILWAUKEE COUNTY

Contractor may have any or all agreements with Milwaukee County terminated for cause, and/or may be debarred from future contracting opportunities with County for commission of, but not limited to, the following offenses: Commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing under a contract or agreement with the County; violation of Federal or State antitrust statutes; commission of embezzlement, theft, forgery or bribery; falsification or destruction of records including, but not limited to, case records, financial records, or billing records; making false statements; receiving stolen property; engaging in conduct or practices that endanger the health or safety of participants/families; failure to comply/cooperate with County Quality Assurance reviews or audits; failure to permit access to or provide documents and records requested by the County; failure to correct findings or other conditions identified in a Quality Assurance review, County audit or annual independent audit; any other breaches of this Agreement.

Department action debarring Contractors from future contractual relationships with the County extends to all owners, partners, officers, board members, or stockholders of Contractor and to all organizations, regardless of legal form of business, in which Contractor or any of the above individuals have any interest, as an employee, partner, officer, board member, or stockholder, or any other proprietary interest in a partnership, trust, corporation, or any other business which would allow them to influence an organization that is in a contractual relationship with, or attempting to obtain a contract or agreement with the County.

Any Contractor that has had one or more agreements with the County terminated for cause or default, or that has been debarred from contracting opportunities with the County for commission of any of the offenses enumerated above, shall not be permitted to apply for, or engage in, providing Services under any agreement with the County for a minimum of two years from commencement date of termination or debarment.

24. CONDITIONAL STATUS AND SUSPENSION

A. Conditional Status

"Conditional Status" is defined as a period of time for up to one year when an agency will be more closely monitored and reviewed for compliance with the provisions of this Contract. This monitoring may include site visits and requests for documentation/records review. In addition, the following restrictions or requirements may be applied solely or in combination:

- A restriction on the number of new referrals the Contractor may service.
- A restriction on the number of services the Contractor is allowed to provide.
- A requirement that prior to payment the Contractor shall submit documentation of services provided.

Agencies Subject to Conditional Status Include:

1. New Contractors

New Contractors will be subject to Conditional Status for one year from the effective date of the initial Contract.

2. Current Contractors

Current Contractors may be placed on Conditional Status when one of the following conditions occurs:

- a. Previous suspension, which may or may not include compliance with a corrective action plan.
- b. Critical incident/complaint, which may or may not include compliance with a corrective action plan.

Lack of compliance with a corrective action plan can lead to further sanctions as referenced in this Contract.

B. Suspension

County shall have the right to suspend the Contractor for a period to be determined by County for any or all of the following reasons:

1. Contractor has failed to comply or cooperate with a Quality Assurance Review or Audit.
2. Contractor has failed to correct findings or other conditions identified in a Milwaukee County audit or annual independent audit.
3. Contractor is under investigation as a result of a Critical Incident/Complaint.
4. Contractor is under investigation for fraudulent business practices.
5. Contractor has failed to comply with a corrective action plan from a previous audit/critical incident/complaint finding.
6. Findings resulting from a site review or audit of the Contractor that document quality concerns related to County policies, procedures, or services.
7. Failure of Contractor to respond to communication from County for a period of 30 days or more.
8. Other breaches of this Contract.

Contractors that are suspended will be prohibited from receiving new referrals or may be prohibited from providing any and all services for existing cases.

County reserves the right to determine the scope and duration of the suspension, as well as the process/methodology of any investigation resulting from the circumstances leading to the suspension.

The Contractor will be notified in writing in accordance with Section 26 (Notices) of this Contract of the reason for the suspension and the decision regarding reinstatement or termination.

Payments to Contractors Under Suspension

Suspended Contractors may be paid for authorized and substantiated services provided before or during a suspension. If the suspension is for a specific service or specific service within a specific program, the Contractor may be paid for other approved services provided during the suspension period. However, County reserves the right to withhold payment for all authorized and billed services if the nature of the suspension is for undocumented or otherwise unsubstantiated care provided by the Contractor to a Milwaukee County client or other actions by Contractor which have harmed or threatened to harm the welfare of Milwaukee County clients. Withholding such payments will remain in effect until a County review of the suspension is completed and a determination for reinstatement or termination of Contract is made.

25. LABOR PEACE AGREEMENT TO REDUCE THE LIKELIHOOD OF LABOR DISPUTES

Where applicable, Contractors shall comply with the provisions of Chapter 31 of the General Ordinances of Milwaukee County that is incorporated herein by reference and made a part of this Contract as if physically attached hereto.

26. HEALTH INSURANCE PORTABILITY AND ACCOUNTABILITY ACT OF 1996

- A. General Provision of Intent. Both parties to this Contract confirm their complete intention of complying with the provisions of the Health Insurance Portability and Accountability Act of 1996 (HIPAA) and will undertake any and all changes in their respective data collection and sharing systems, in their patient and consumer relations programs, and in their medical record and information sharing systems to address current or future requirements of HIPAA as determined by the U.S. Department of Child Support Enforcement (HHS) or the Wisconsin Office of the Commissioner of Insurance.
- B. Changes to the Contract. Both parties agree that changes to the contract that might be necessary for one or both parties to meet the requirements of the Health Insurance Portability and Accountability Act shall be made upon discussion and execution of a document containing the necessary changes. Neither party will withhold agreement to reasonable modifications necessary to the Contract that are necessary for one or both parties to comply with HIPAA.

27. CIVIL RIGHTS COMPLIANCE PLAN

Contractor agrees that it will comply with the provisions of the *CRCP for Profit and Non-Profit Entities* which includes Affirmative Action, Equal Opportunity and Limited English Proficiency Plans, online at:

http://dcf.wisconsin.gov/civil_rights/plans_instructions.htm

Consistent with the requirements of the U.S. Department of Health and Human Services and the State of Wisconsin Department of Workforce Development (DWD), Contractor with 25 Employees AND any combination of funding in the amount of \$25,000 or more from Purchaser and/or the State are required to complete and submit a copy of a Civil Rights Compliance Plan (CRCP) to include Affirmative Action, Equal Opportunity, and Limited English Proficiency (LEP) Plans prior to execution of this agreement or Contractor may submit a copy of the State approval letter to Purchaser in lieu of the CRCP.

Contractor with direct State contracts with DWD with fewer than 25 employees, or Network Providers receiving less than \$25,000 in direct State funding are required to file a Letter of Assurance with DWD, and a copy with Milwaukee County. Contractor with fewer than 25 employees or Contractors receiving less than \$25,000 in funding or payment from Milwaukee County are required to file a Letter of Assurance with Milwaukee County.

Completion forms, instructions, sample policies and plans are posted on the State website at: Completion forms, instructions, sample policies and plans are posted on the State website at:

http://dcf.wisconsin.gov/civil_rights/default.htm

Milwaukee County will take constructive steps to ensure compliance of the contractor with the provisions of this subsection. Contractor agrees to comply with Civil Rights monitoring reviews performed by Milwaukee County including the examination of records and relevant files maintained by Contractor. Contractor further agrees to cooperate with Milwaukee County in developing, implementing, and monitoring corrective action plans that result from any reviews.

28. NOTICES

Notices to County provided for in this Contract shall be sufficient if sent by certified or registered mail, postage prepaid, to:

Lisa Marks, Director
Milwaukee County Department of Child Support Enforcement
Room 101- Courthouse
901 N. 9th St.
Milwaukee WI 53233

Notices to Contractor shall be sufficient if sent by certified or registered mail, postage prepaid to:

Orchid Cellmark Inc.
Attn: Director of Operations
2947 Eyde Parkway, Suite 110
East Lansing MI 48823

With a copy to:

Orchid Cellmark Inc.
Attn: Legal Department
4390 US Route One North
Princeton NJ 08540
Fax 609.750.6405

It is agreed by Contractor, that in conduct of its meetings, it will be guided by Wisconsin Statutes 19.81 et. seq.

29. CONTRACT CONTENT

The Contractor agrees to provide or arrange (as referenced in Section 1, Scope of Service), the provision of Covered Services in accordance with the description of services, including any other policies, bulletins, and memoranda as endorsed by the Milwaukee County Department of Child Support Enforcement and its respective divisions. This document, with all attached exhibits and attachments, constitute the entire Contract of the parties. This Contract supersedes all oral agreements and negotiations and all writings not herein referred to and incorporated. This Contract may be executed in two or more counterparts each of which shall be deemed as original.

Orchid Cellmark Inc.
Attn: Director of Operations
2947 Eyde Parkway, Suite 110
East Lansing MI 48823

With a copy to:

Orchid Cellmark Inc.
Attn: Legal Department
4390 US Route One North
Princeton NJ 08540
Fax 609.750.6405

It is agreed by Contractor, that in conduct of its meetings, it will be guided by Wisconsin Statutes 19.81 et. seq.

29. CONTRACT CONTENT

The Contractor agrees to provide or arrange (as referenced in Section 1, Scope of Service), the provision of Covered Services in accordance with the description of services, including any other policies, bulletins, and memoranda as endorsed by the Milwaukee County Department of Child Support Enforcement and its respective divisions. This document, with all attached exhibits and attachments, constitute the entire Contract of the parties. This Contract supersedes all oral agreements and negotiations and all writings not herein referred to and incorporated. This Contract may be executed in two or more counterparts each of which shall be deemed as original.

30. APPROVAL

It is expressly understood and agreed that the parties' obligations hereunder are subject to state approval and federal concurrences with this Contract.

County enters into this Contract as authorized by the Milwaukee County Board of Supervisors Resolution File No. _____ adopted on _____ and ratified by the Milwaukee County Executive on _____. Contractor enters into this Contract pursuant to and by authority of its Board of Directors at its meeting of _____

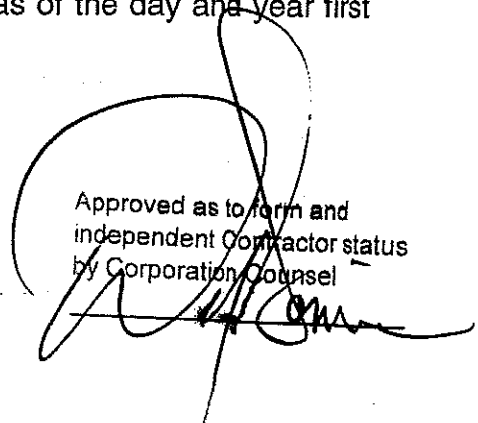
IN WITNESS WHEREOF, the parties to this Contract have caused this instrument to be executed by their respective proper officers effective as of the day and year first above written.

COUNTY:

Director

Date

Approved as to form and
independent Contractor status
by Corporation Counsel




30. APPROVAL

It is expressly understood and agreed that the parties' obligations hereunder are subject to state approval and federal concurrences with this Contract.

County enters into this Contract as authorized by the Milwaukee County Board of Supervisors Resolution File No. _____ adopted on _____ and ratified by the Milwaukee County Executive on _____. Contractor enters into this Contract pursuant to and by authority of its Board of Directors at its meeting of _____.

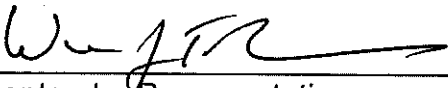
IN WITNESS WHEREOF, the parties to this Contract have caused this instrument to be executed by their respective proper officers effective as of the day and year first above written.

COUNTY:



Director Date
Department of Child Support Enforcement

CONTRACTOR:



Contractor Representative Date
Jan. 22, 2009

WILLIAM J. THOMAS

VICE PRESIDENT & GENERAL COUNSEL

(Please print name of person signing)

Rev 12/18/08

ATTACHMENT I

MILWAUKEE COUNTY DEPARTMENT OF CHILD SUPPORT ENFORCEMENT
AND
ORCHID CELLMARK INC.
SCHEDULE OF SERVICES TO BE PURCHASED AND COMPENSATION FOR
2009 PURCHASE OF SERVICE CONTRACT

Contractor shall perform all tasks, achieve the objectives set forth and comply with all terms in:

1. The County's September 2008 request for proposal.
2. The Contractor's proposal dated October 10, 2008.
3. The Contractor's Best and Final Response dated November 20, 2008.

These three items are incorporated by reference herein. If there is a variance between the Contractor's Proposal and the County's Request for Proposal, the latter shall be controlling, unless otherwise agreed to in writing. If there is a conflict between the County's Request for Proposal and the Contractor's Best and Final Response, the Contractor's Best and Final Response is controlling, unless otherwise agreed to in writing. The County and Contractor further agree that the Additional Added Services on page 3 of Contractor's Proposal, regarding the Electronic Result Reporting apply to this Agreement.

Contractor shall be compensated for work performed at the rate contained on page one of Contractor's Best and Final Response, said rate being \$32.25 per person tested, including deceased persons, inclusive of any and all costs, expenses and fees (including interstate and international samplings, at no additional charge).

ATTACHMENT II

MILWAUKEE COUNTY DEPARTMENT OF CHILD SUPPORT ENFORCEMENT
AND
ORCHID CELLMARK INC.
PAYMENT METHOD FOR 2009 PURCHASE OF SERVICE CONTRACT

Contractor shall provide County with monthly billings that shall include, but not be limited to, the following:

- A. Milwaukee County Circuit Court case number.
- B. Donor name and relationship to other parties.
- C. Date sample collected.

Without prior County approval, no more than one invoice is to be submitted per case, listing all parties tested. Invoices are to be sent to the Department accountant, or as the County otherwise directs. Invoices will be submitted for each completed test once all samples have been tested and the results sent to County.

Contractors shall have E-Mail access and the ability to submit electronic, Internet based on-line invoices to County. County shall determine all billing and invoice formats and procedures.

Contractor agrees to track testing provided through this contract to Milwaukee County Children's Court under a different account number than that used by Child Support. The billing for this account will be sent to Child Support, but shall be paid directly to Contractor by the Clerk of Circuit Court, Children's Court Division. Genetic test results under this account number shall be sent by Contractor to the Clerk of Circuit Court, Children's Division.

Contractor agrees to comply with all policies and procedures related to documentation of services provided under this contract as a condition of billing for said services, and shall submit to County billing reports for services provided on or before the tenth (10th) working day of the month following delivery of purchased services. Payment by County of Contractor's invoice does not absolve the Contractor from a final accounting and settlement upon submission and review of Contractor's annual audit, or from audit recoveries arising from an on-site audit of Contractor's case records or other documentation in support of services billed.

Invoices received thirty (30) days after the termination of this contract will not be considered for payment by County. County reserves the right to withhold payment where Contractor fails to deliver the contracted services in accordance with the terms of this contract or fails to submit invoices as required above.