



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 320 S. WALNUT ST., LANSING, MICHIGAN 48933
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **8**

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	Edmund Tallon
	517-492-8116
	etallon@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Nichole Harrell	DTMB
		517-449-9245	
		harrelln@michigan.gov	

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$4,993,000.00	\$0.00	\$4,993,000.00		

DESCRIPTION

Effective January 25, 2024, the following changes are hereby incorporated into the Contract:
 1. The State's Contract Administrator is changed to Nichole Harrell.
 2. The MDOC Program Manager is changed from Sherman Campbell to Bernard Scott (scottb4@michigan.gov, 517-241-8414).
 All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement approval.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Bernard G. Scott	517-241-8414	ScottB4@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 320 S. WALNUT ST., LANSING, MICHIGAN 48933
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 7
 to
 Contract Number 071B7700185

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	Edmund Tallon
	517-492-8116
	etallon@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
STATE	Contract Administrator	Marissa Gove	DTMB
		(517) 449-8952	
		govem1@michigan.gov	

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2024
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$4,200,000.00	\$793,000.00	\$4,993,000.00		

DESCRIPTION
 Effective November 28, 2023, this Contract is hereby increased by \$793,000.00. All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on November 28, 2023.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Sherman B. Campbell	(517) 265-2254	campbells17@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 320 S. WALNUT ST., LANSING, MICHIGAN 48933
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **6**
 to
 Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	Edmund Tallon
	517-492-8116
	etallon@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Marissa Gove (517) 449-8952 govem1@michigan.gov	DTMB

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card	<input type="checkbox"/> PRC	<input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS
N/A

DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	1 Year	<input type="checkbox"/>		September 30, 2024
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,800,000.00	\$400,000.00	\$4,200,000.00		

DESCRIPTION

Effective April 11, 2023, the following changes are hereby incorporated into the Contract:

- The fourth option year available is exercised.
- The Contract is increased by \$400,000.
- The State's Contractor Administrator is changed to Marissa Gove.
- The Contractor's Representative is changed to Edmund Tallon.
- The MDOC Program Manager is changed from Willis Chapman to Sherman Campbell.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement approval, and State Administrative Board approval on April 11, 2023.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Sherman B. Campbell	(517) 265-3900	campbells17@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **5**

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	Addie Thomas
	517-316-4466
	athomas@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
STATE	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2023
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,800,000.00	\$0.00	\$3,800,000.00		

DESCRIPTION

Effective May 9, 2022 this contracted is amended for the following:

MDOC Program Manager for CFA changed from Elizabeth Sparks to Willis Chapman (810-667-2045 or chapmanw@michigan.gov).

Contractor's Notice contact and Program Manager has changed from David Allen to Addie Thomas (517-316-4466 or athomas@peckham.org)

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC - FOA	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC - CFA	Willis Chapman	810-667-2045	chapmanw@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **4**

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	David Allen
	517-316-4102
	dallen@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439 samuelb@michigan.gov	

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	24 months	<input type="checkbox"/>		September 30, 2023
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$3,572,309.00	\$227,691.00	\$3,800,000.00		

DESCRIPTION

Effective September 28, 2021, this Contract is exercising two - 1 year options and is increased by \$227,691.00. The revised contract expiration date is 9/30/2023. Additionally, see below for revised contract pricing.

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on September 28, 2021.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Elizabeth Sparks	517-780-6649	SparksE@michigan.gov

Item Listing Saliva Point of Collection Screening Devices

Oral Fluid Point of Collection Device	Old Price per Unit	Proposed Price per Unit	Quantity per Case/Package
3 Panel OralTox	\$ 3.90	\$ 4.02	25
4 Panel OralTox	\$ 4.40	\$ 4.53	25
5 Panel OralTox	\$ 4.90	\$ 5.05	25
6 Panel OralTox	\$ 5.40	\$ 5.56	25
6 Panel Oratect	\$ 3.65	\$ 3.76	25
7 Panel OralTox	\$ 5.90	\$ 6.08	25
8 Panel OralTox	\$ 6.40	\$ 6.59	25
9 Panel OralTox	\$ 6.90	\$ 7.11	25
10 Panel OralTox	\$ 7.40	\$ 7.62	25
11 Panel OralTox	\$ 7.90	\$ 8.14	25
12 Panel Oral Tox	\$ 8.40	\$ 8.65	25

Item Listing for Urine Point of Collection Screening Devices				
Panel Base	Type	Old Price per Unit	Proposed Price per Unit	Quantity per Case/Package
Single Panel	Amphetamine	\$ 0.42	\$ 0.43	25
	Barbituates	\$ 0.42	\$ 0.43	25
	Benzodiazepines	\$ 0.42	\$ 0.43	25
	Buprenorphine	\$ 0.42	\$ 0.43	25
	Cocaine	\$ 0.42	\$ 0.43	25
	EDDP	\$ 0.42	\$ 0.43	25
	ETG	\$ 2.00	\$ 2.06	25
	Fentanyl	\$ 0.75	\$ 0.77	25
	K2	\$ 0.75	\$ 0.77	25
	Ketamine	\$ 0.42	\$ 0.43	25
	Methamphetamine	\$ 0.42	\$ 0.43	25
	MDMA	\$ 0.42	\$ 0.43	25
	Methadone	\$ 0.42	\$ 0.43	25
	Opiates	\$ 0.42	\$ 0.43	25
	Oxycodone	\$ 0.42	\$ 0.43	25
	Phencyclidine	\$ 0.42	\$ 0.43	25
	Propoxyphene	\$ 0.42	\$ 0.43	25
	TCA	\$ 0.42	\$ 0.43	25
	THC	\$ 0.42	\$ 0.43	25
	Tramadol	\$ 0.75	\$ 0.77	25
3 Panel	Dip Stick With Cup	\$ 0.99	\$ 1.02	25
	In-Cups	\$ 1.99	\$ 2.05	25
4 Panel	Dip Stick With Cup	\$ 1.20	\$ 1.24	25
	In-Cups	\$ 2.05	\$ 2.11	25
6 Panel	Dip Stick With Cup	\$ 1.51	\$ 1.56	25
	In-Cups	\$ 2.35	\$ 2.42	25
7 Panel	Dip Stick With Cup	\$ 1.67	\$ 1.72	25
	In-Cups	\$ 2.55	\$ 2.63	25
12 or 13 Panel	Dip Stick With Cup	\$ 2.43	\$ 2.50	25
	Dip Stick With Cup	\$ 2.59	\$ 2.67	25
12 or 13 Panel	In-Cups	\$ 3.60	\$ 3.71	25
	In-Cups	\$ 3.80	\$ 3.91	25
Lids		\$ 0.18	\$ 0.19	100



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CENTRAL PROCUREMENT SERVICES
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 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **3**

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	David Allen
	517-316-4102
	dallen@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	samuelb@michigan.gov

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2021
PAYMENT TERMS		DELIVERY TIMEFRAME	
NET 45		N/A	
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,572,309.00	\$1,000,000.00	\$3,572,309.00		

DESCRIPTION

Effective December 15, 2020, this Contract is hereby increased by \$1,000,000.00 for MDOC use.

All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval, and State Administrative Board approval on December 15, 2020.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Elizabeth Sparks	517-780-6649	SparksE@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number **2**

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	David Allen
	517-316-4102
	dallen@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY				
ON-SITE ORAL AND URINE DRUG TEST KITS				
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE	
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2020	
PAYMENT TERMS		DELIVERY TIMEFRAME		
NET 45		N/A		
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING	
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	
MINIMUM DELIVERY REQUIREMENTS				
N/A				
DESCRIPTION OF CHANGE NOTICE				
OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input checked="" type="checkbox"/>	12 months	<input type="checkbox"/>		September 30, 2021
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$2,372,309.00	\$200,000.00	\$2,572,309.00		
DESCRIPTION				
Effective October 1, 2020 this contract is exercising one option year and is increased by \$200,000.00. The revised contract expiration date is 9/30/2021.				
All other terms, conditions, specifications and pricing remain the same. Per contractor and agency agreement, and DTMB Central Procurement Services approval.				

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Elizabeth Sparks	517-780-6649	SparksE@michigan.gov



STATE OF MICHIGAN
CENTRAL PROCUREMENT SERVICES
 Department of Technology, Management, and Budget
 525 W. ALLEGAN ST., LANSING, MICHIGAN 48913
 P.O. BOX 30026 LANSING, MICHIGAN 48909

CONTRACT CHANGE NOTICE

Change Notice Number 1

to

Contract Number **071B7700185**

CONTRACTOR	PECKHAM VOCATIONAL INDUSTRIES INC
	3510 Capital City Blvd
	Lansing, MI 48906
	David Allen
	517-316-4102
	dallen@peckham.org
	CV0027223

STATE	Program Manager	Various	MDOC
	Contract Administrator	Brandon Samuel	DTMB
		(517) 249-0439	
		samuelb@michigan.gov	

CONTRACT SUMMARY

ON-SITE ORAL AND URINE DRUG TEST KITS

INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE
September 1, 2017	September 30, 2020	5 - 1 Year	September 30, 2020

PAYMENT TERMS	DELIVERY TIMEFRAME
Net 45	N/A

ALTERNATE PAYMENT OPTIONS	EXTENDED PURCHASING
<input type="checkbox"/> P-Card <input type="checkbox"/> PRC <input type="checkbox"/> Other	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No

MINIMUM DELIVERY REQUIREMENTS

N/A

DESCRIPTION OF CHANGE NOTICE

OPTION	LENGTH OF OPTION	EXTENSION	LENGTH OF EXTENSION	REVISED EXP. DATE
<input type="checkbox"/>		<input type="checkbox"/>		N/A
CURRENT VALUE	VALUE OF CHANGE NOTICE	ESTIMATED AGGREGATE CONTRACT VALUE		
\$1,872,309.00	\$500,000.00	\$2,372,309.00		

DESCRIPTION

Effective July 7, 2020, this Contract is increased by \$500,000.00 for MDOC use.

Additionally, MDOC's Program Manager for CFA has changed from Maurice Hills to Elizabeth Sparks (517-780-6649 or SparksE@michigan.gov).

Furthermore, Contractor's Notices contact and Program Manager has changed from Mike Stover to David Allen (517-316-4102 or dallen@peckham.org).

All other terms, conditions, specifications, and pricing remain the same. Per contractor and agency agreement, DTMB Central Procurement Services approval and State Administrative Board approval on July 7, 2020.

**Program Managers
for
Multi-Agency and Statewide Contracts**

AGENCY	NAME	PHONE	EMAIL
MDOC	Kami Harris	(517) 241-7229	HarrisK14@michigan.gov
MDOC	Elizabeth Sparks	517-780-6649	SparksE@michigan.gov



STATE OF MICHIGAN ENTERPRISE PROCUREMENT

Department of Technology, Management & Budget
525 W. Allegan St., 1st Floor. NE, Lansing, MI 48913
P.O. Box 30026, Lansing, MI 48909

NOTICE OF CONTRACT

NOTICE OF CONTRACT NO. 071B7700185

between

THE STATE OF MICHIGAN

and

CONTRACTOR	Peckham Vocational Industries dba Peckham, Inc.
	3510 Capital City Blvd
	Lansing, MI 48906
	Mike Stover
	517-316-4285
	mstover@peckham.org
	2117

STATE	Program Manager	Various (see below) or Section 4	
	Contract Administrator	Brandon Samuel 517-284-7025 samuelb@michigan.gov	DTMB

CONTRACT SUMMARY

DESCRIPTION: On-Site Oral and Urine Drug Test Kits			
INITIAL EFFECTIVE DATE	INITIAL EXPIRATION DATE	INITIAL AVAILABLE OPTIONS	EXPIRATION DATE BEFORE CHANGE(S) NOTED BELOW
9/1/2017	9/30/2020	Five-one year	
PAYMENT TERMS		DELIVERY TIMEFRAME	
Net 45			
ALTERNATE PAYMENT OPTIONS			EXTENDED PURCHASING
<input type="checkbox"/> P-card <input type="checkbox"/> Direct Voucher (DV) <input type="checkbox"/> Other			<input checked="" type="checkbox"/> Yes No
MINIMUM DELIVERY REQUIREMENTS			
MISCELLANEOUS INFORMATION			
The terms and conditions of this Contract are those of RFP 007117B0010238			
ESTIMATED CONTRACT VALUE AT TIME OF EXECUTION			\$1,872,309.00

Program Managers

	AGENCY	NAME	PHONE	EMAIL
1	MDOC	Kami Harris	517-241-7229	HarrisK14@michigan.gov
2	MDOC	Maurice Hills	517-241-7062	Hillsm1@michigan.gov

FOR THE CONTRACTOR:

Company Name

Authorized Agent Signature

Authorized Agent *(Print or Type)*

Date

FOR THE STATE:

Signature

Name & Title

Agency

Date



STATE OF MICHIGAN

STANDARD CONTRACT TERMS

This STANDARD CONTRACT ("**Contract**") is agreed to between the State of Michigan (the "**State**") and Peckham Vocational Industries, D.B.A. Peckham, Inc. ("**Contractor**"), a Michigan corporation. This Contract is effective on September 1, 2017 ("**Effective Date**"), and unless terminated, expires on August 31, 2020. The period between September 1, 2017 through September 30, 2017 will be for transition. Services are to begin being provided on October 1, 2017.

This Contract may be renewed for up to five additional one year options periods. Renewal is at the sole discretion of the State and will automatically extend the Term of this Contract. The State will document its exercise of renewal options via Contract Change Notice.]

The parties agree as follows:

1. **Duties of Contractor.** Contractor must perform the services and provide the deliverables described in **Schedule A – Statement of Work** (the "**Contract Activities**"). An obligation to provide delivery of any commodity is considered a service and is a Contract Activity.

Contractor must furnish all labor, equipment, materials, and supplies necessary for the performance of the Contract Activities, and meet operational standards, unless otherwise specified in Schedule A.

Contractor must: (a) perform the Contract Activities in a timely, professional, safe, and workmanlike manner consistent with standards in the trade, profession, or industry; (b) meet or exceed the performance and operational standards, and specifications of the Contract; (c) provide all Contract Activities in good quality, with no material defects; (d) not interfere with the State's operations; (e) obtain and maintain all necessary licenses, permits or other authorizations necessary for the performance of the Contract; (f) cooperate with the State, including the State's quality assurance personnel, and any third party to achieve the objectives of the Contract; (g) return to the State any State-furnished equipment or other resources in the same condition as when provided when no longer required for the Contract; (h) not make any media releases without prior written authorization from the State; (i) assign to the State any claims resulting from state or federal antitrust violations to the extent that those violations concern materials or services supplied by third parties toward fulfillment of the Contract; (j) comply with all State physical and IT security policies and standards which will be made available upon request; and (k) provide the State priority in performance of the Contract except as mandated by federal disaster response requirements. Any breach under this paragraph is considered a material breach.

Contractor must also be clearly identifiable while on State property by wearing identification issued by the State, and clearly identify themselves whenever making contact with the State.

2. **Notices.** All notices and other communications required or permitted under this Contract must be in writing and will be considered given and received: (a) when verified by written receipt if sent by courier; (b) when actually received if sent by mail without verification of receipt; or (c) when verified by automated receipt or electronic logs if sent by facsimile or email.



If to State:	If to Contractor:
Brandon Samuel 525 W. Allegan St., 1st Floor NE Lansing, MI 48909 samuelb@michigan.gov 517-284-7025	Mike Stover 3510 Capital City Blvd. Lansing, MI 48906 mstover@peckham.org 517-316-4285

3. **Contract Administrator.** The Contract Administrator for each party is the only person authorized to modify any terms of this Contract, and approve and execute any change under this Contract (each a “**Contract Administrator**”):

State:	Contractor:
Brandon Samuel 525 W. Allegan St., 1st Floor NE Lansing, MI 48909 samuelb@michigan.gov 517-284-7025	Jeff Roland 3510 Capital City Blvd. Lansing, MI 48906 jroland@peckham.org 517-316-4254

4. **A. Program Manager.** The Program Manager for each party will monitor and coordinate the day-to-day activities of the Contract (each a “**Program Manager**”):

State:	Contractor:
Maurice Hills, MDOC – SASS, CFA 206 E. Michigan Ave. Grandview Plaza Lansing, MI 48933 hillsm1@michigan.gov (517) 241 – 7062	Mike Stover 3510 Capital City Blvd. Lansing, MI 48906 mstover@peckham.org 517-316-4285
Kami Harris - FOA 206 E. Michigan Ave. Grandview Plaza Lansing, MI 48933 Harrisk14@michigan.gov (517) 241 - 7229	Kevin Sosnowski 3510 Capital City Blvd. Lansing, MI 48906 Ksosnowski@peckham.org 517-316-4035

- B. Contract Monitor.** The Contract Monitor for each party is the sole point of contact for each party on all contract related issues. The Contract Monitor will work with the Contract Administrator/Buyer if there are reasons to modify any terms of this Contract:

State:	Contractor:
Marti Kay Sherry MDOC Central Office 206 E. Michigan Ave. – 5 th Floor Grandview Plaza Lansing, MI 48933 sherrym@michigan.gov (517) 373-9143	Mike Stover 3510 Capital City Blvd. Lansing, MI 48906 mstover@peckham.org 517-316-4285



5. **Performance Guarantee.** Contractor must at all times have financial resources sufficient, in the opinion of the State, to ensure performance of the Contract and must provide proof upon request. The State may require a performance bond (as specified in Schedule A) if, in the opinion of the State, it will ensure performance of the Contract.

6. **Insurance Requirements.** Contractor must maintain the insurances identified below and is responsible for all deductibles. All required insurance must: (a) protect the State from claims that may arise out of, are alleged to arise out of, or result from Contractor's or a subcontractor's performance; (b) be primary and non-contributing to any comparable liability insurance (including self-insurance) carried by the State; and (c) be provided by a company with an A.M. Best rating of "A" or better, and a financial size of VII or better

Required Limits	Additional Requirements
Commercial General Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Each Occurrence Limit \$1,000,000 Personal & Advertising Injury Limit \$2,000,000 General Aggregate Limit \$2,000,000 Products/Completed Operations <u>Deductible Maximum:</u> \$50,000 Each Occurrence	Contractor must have their policy endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds using endorsement CG 20 10 11 85, or both CG 2010 07 04 and CG 2037 07 0.
Automobile Liability Insurance	
<u>Minimal Limits:</u> \$1,000,000 Per Occurrence	Contractor must have their policy: (1) endorsed to add "the State of Michigan, its departments, divisions, agencies, offices, commissions, officers, employees, and agents" as additional insureds; and (2) include Hired and Non-Owned Automobile coverage.
Workers' Compensation Insurance	
<u>Minimal Limits:</u> Coverage according to applicable laws governing work activities.	Waiver of subrogation, except where waiver is prohibited by law.
Employers Liability Insurance	
<u>Minimal Limits:</u> \$500,000 Each Accident \$500,000 Each Employee by Disease \$500,000 Aggregate Disease.	

If any of the required policies provide **claims-made** coverage, the Contractor must: (a) provide coverage with a retroactive date before the effective date of the contract or the beginning of Contract Activities; (b) maintain coverage and provide evidence of coverage for at least three (3) years after completion of the Contract Activities; and (c) if coverage is canceled or not renewed, and not replaced with another claims-made policy form with a retroactive date prior to the contract effective date, Contractor must purchase extended reporting coverage for a minimum of three (3) years after completion of work.

Contractor must: (a) provide insurance certificates to the Contract Administrator, containing the agreement or purchase order number, at Contract formation and within 20 calendar days of the expiration date of the



applicable policies; (b) require that subcontractors maintain the required insurances contained in this Section; (c) notify the Contract Administrator within 5 business days if any insurance is cancelled; and (d) waive all rights against the State for damages covered by insurance. Failure to maintain the required insurance does not limit this waiver.

This Section is not intended to and is not be construed in any manner as waiving, restricting or limiting the liability of either party for any obligations under this Contract (including any provisions hereof requiring Contractor to indemnify, defend and hold harmless the State).

7. **Reserved.**

8. **Extended Purchasing Program.** This contract is extended to MiDEAL members. MiDEAL members include local units of government, school districts, universities, community colleges, and nonprofit hospitals. A current list of MiDEAL members is available at www.michigan.gov/mideal. Upon written agreement between the State and Contractor, this contract may also be extended to: (a) State of Michigan employees and (b) other states (including governmental subdivisions and authorized entities).

If extended, Contractor must supply all Contract Activities at the established Contract prices and terms. The State reserves the right to impose an administrative fee and negotiate additional discounts based on any increased volume generated by such extensions.

Contractor must submit invoices to, and receive payment from, extended purchasing program members on a direct and individual basis.

9. **Independent Contractor.** Contractor is an independent contractor and assumes all rights, obligations and liabilities set forth in this Contract. Contractor, its employees, and agents will not be considered employees of the State. No partnership or joint venture relationship is created by virtue of this Contract. Contractor, and not the State, is responsible for the payment of wages, benefits and taxes of Contractor's employees and any subcontractors. Prior performance does not modify Contractor's status as an independent contractor.
10. **Subcontracting.** Contractor may not delegate any of its obligations under the Contract without the prior written approval of the State. Contractor must notify the State at least 90 calendar days before the proposed delegation, and provide the State any information it requests to determine whether the delegation is in its best interest. If approved, Contractor must: (a) be the sole point of contact regarding all contractual matters, including payment and charges for all Contract Activities; (b) make all payments to the subcontractor; and (c) incorporate the terms and conditions contained in this Contract in any subcontract with a subcontractor. Contractor remains responsible for the completion of the Contract Activities, compliance with the terms of this Contract, and the acts and omissions of the subcontractor. The State, in its sole discretion, may require the replacement of any subcontractor.
11. **Staffing.** The State's Contract Administrator may require Contractor to remove or reassign personnel by providing a notice to Contractor.
12. **Background Checks.** Upon request, Contractor must perform background checks on all employees and subcontractors and its employees prior to their assignment. The scope is at the discretion of the State and documentation must be provided as requested. Contractor is responsible for all costs associated with the requested background checks. The State, in its sole discretion, may also perform background checks.
13. **Assignment.** Contractor may not assign this Contract to any other party without the prior approval of the State. Upon notice to Contractor, the State, in its sole discretion, may assign in whole or in part, its rights



or responsibilities under this Contract to any other party. If the State determines that a novation of the Contract to a third party is necessary, Contractor will agree to the novation and provide all necessary documentation and signatures.

14. **Change of Control.** Contractor will notify, at least 90 calendar days before the effective date, the State of a change in Contractor's organizational structure or ownership. For purposes of this Contract, a change in control means any of the following: (a) a sale of more than 50% of Contractor's stock; (b) a sale of substantially all of Contractor's assets; (c) a change in a majority of Contractor's board members; (d) consummation of a merger or consolidation of Contractor with any other entity; (e) a change in ownership through a transaction or series of transactions; (f) or the board (or the stockholders) approves a plan of complete liquidation. A change of control does not include any consolidation or merger effected exclusively to change the domicile of Contractor, or any transaction or series of transactions principally for bona fide equity financing purposes.

In the event of a change of control, Contractor must require the successor to assume this Contract and all of its obligations under this Contract.

15. **Ordering.** Contractor is not authorized to begin performance until receipt of authorization as identified in Schedule A.
16. **Acceptance.** Contract Activities are subject to inspection and testing by the State within 30 calendar days of the State's receipt of them ("**State Review Period**"), unless otherwise provided in Schedule A. If the Contract Activities are not fully accepted by the State, the State will notify Contractor by the end of the State Review Period that either: (a) the Contract Activities are accepted, but noted deficiencies must be corrected; or (b) the Contract Activities are rejected. If the State finds material deficiencies, it may: (i) reject the Contract Activities without performing any further inspections; (ii) demand performance at no additional cost; or (iii) terminate this Contract in accordance with Section 23, Termination for Cause.

Within 10 business days from the date of Contractor's receipt of notification of acceptance with deficiencies or rejection of any Contract Activities, Contractor must cure, at no additional cost, the deficiency and deliver unequivocally acceptable Contract Activities to the State. If acceptance with deficiencies or rejection of the Contract Activities impacts the content or delivery of other non-completed Contract Activities, the parties' respective Program Managers must determine an agreed to number of days for re-submission that minimizes the overall impact to the Contract. However, nothing herein affects, alters, or relieves Contractor of its obligations to correct deficiencies in accordance with the time response standards set forth in this Contract.

If Contractor is unable or refuses to correct the deficiency within the time response standards set forth in this Contract, the State may cancel the order in whole or in part. The State, or a third party identified by the State, may perform the Contract Activities and recover the difference between the cost to cure and the Contract price plus an additional 10% administrative fee.

17. **Delivery.** Contractor must deliver all Contract Activities F.O.B. destination, within the State premises with transportation and handling charges paid by Contractor, unless otherwise specified in Schedule A. All containers and packaging becomes the State's exclusive property upon acceptance.
18. **Risk of Loss and Title.** Until final acceptance, title and risk of loss or damage to Contract Activities remains with Contractor. Contractor is responsible for filing, processing, and collecting all damage claims. The State will record and report to Contractor any evidence of visible damage. If the State rejects the Contract Activities, Contractor must remove them from the premises within 10 calendar days after notification of rejection. The risk of loss of rejected or non-conforming Contract Activities remains with Contractor. Rejected Contract Activities not removed by Contractor within 10 calendar days will be deemed abandoned by Contractor, and the State will have the right to dispose of it as its own property.



Contractor must reimburse the State for costs and expenses incurred in storing or effecting removal or disposition of rejected Contract Activities.

19. **Warranty Period.** The warranty period, if applicable, for Contract Activities is a fixed period commencing on the date specified in Schedule A. If the Contract Activities do not function as warranted during the warranty period the State may return such non-conforming Contract Activities to the Contractor for a full refund.
20. **Terms of Payment.** Invoices must conform to the requirements communicated from time-to-time by the State. All undisputed amounts are payable within 45 days of the State's receipt. Contractor may only charge for Contract Activities performed as specified in Schedule A. Invoices must include an itemized statement of all charges. The State is exempt from State sales tax for direct purchases and may be exempt from federal excise tax, if Services purchased under this Agreement are for the State's exclusive use. Notwithstanding the foregoing, all prices are inclusive of taxes, and Contractor is responsible for all sales, use and excise taxes, and any other similar taxes, duties and charges of any kind imposed by any federal, state, or local governmental entity on any amounts payable by the State under this Contract.

The State has the right to withhold payment of any disputed amounts until the parties agree as to the validity of the disputed amount. The State will notify Contractor of any dispute within a reasonable time. Payment by the State will not constitute a waiver of any rights as to Contractor's continuing obligations, including claims for deficiencies or substandard Contract Activities. Contractor's acceptance of final payment by the State constitutes a waiver of all claims by Contractor against the State for payment under this Contract, other than those claims previously filed in writing on a timely basis and still disputed.

The State will only disburse payments under this Contract through Electronic Funds Transfer (EFT). Contractor must register with the State at <http://www.michigan.gov/cpexpress> to receive electronic fund transfer payments. If Contractor does not register, the State is not liable for failure to provide payment. Without prejudice to any other right or remedy it may have, the State reserves the right to set off at any time any amount then due and owing to it by Contractor against any amount payable by the State to Contractor under this Contract.

21. **Liquidated Damages.** Liquidated damages, if applicable, will be assessed as described in Schedule A.
22. **Stop Work Order.** The State may suspend any or all activities under the Contract at any time. The State will provide Contractor a written stop work order detailing the suspension. Contractor must comply with the stop work order upon receipt. Within 90 calendar days, or any longer period agreed to by Contractor, the State will either: (a) issue a notice authorizing Contractor to resume work, or (b) terminate the Contract or purchase order. The State will not pay for Contract Activities, Contractor's lost profits, or any additional compensation during a stop work period.
23. **Termination for Cause.** The State may terminate this Contract for cause, in whole or in part, if Contractor, as determined by the State: (a) endangers the value, integrity, or security of any location, data, or personnel; (b) becomes insolvent, petitions for bankruptcy court proceedings, or has an involuntary bankruptcy proceeding filed against it by any creditor; (c) engages in any conduct that may expose the State to liability; (d) breaches any of its material duties or obligations; or (e) fails to cure a breach within the time stated in a notice of breach. Any reference to specific breaches being material breaches within this Contract will not be construed to mean that other breaches are not material.

If the State terminates this Contract under this Section, the State will issue a termination notice specifying whether Contractor must: (a) cease performance immediately, or (b) continue to perform for a specified period. If it is later determined that Contractor was not in breach of the Contract, the termination will be



deemed to have been a Termination for Convenience, effective as of the same date, and the rights and obligations of the parties will be limited to those provided in Section 24, Termination for Convenience.

The State will only pay for amounts due to Contractor for Contract Activities accepted by the State on or before the date of termination, subject to the State's right to set off any amounts owed by the Contractor for the State's reasonable costs in terminating this Contract. The Contractor must pay all reasonable costs incurred by the State in terminating this Contract for cause, including administrative costs, attorneys' fees, court costs, transition costs, and any costs the State incurs to procure the Contract Activities from other sources.

24. **Termination for Convenience.** The State may immediately terminate this Contract in whole or in part without penalty and for any reason, including but not limited to, appropriation or budget shortfalls. The termination notice will specify whether Contractor must: (a) cease performance of the Contract Activities immediately, or (b) continue to perform the Contract Activities in accordance with Section 25, Transition Responsibilities. If the State terminates this Contract for convenience, the State will pay all reasonable costs, as determined by the State, for State approved Transition Responsibilities.
25. **Transition Responsibilities.** Upon termination or expiration of this Contract for any reason, Contractor must, for a period of time specified by the State (not to exceed 180 calendar days), provide all reasonable transition assistance requested by the State, to allow for the expired or terminated portion of the Contract Activities to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Contract Activities to the State or its designees. Such transition assistance may include, but is not limited to: (a) continuing to perform the Contract Activities at the established Contract rates; (b) taking all reasonable and necessary measures to transition performance of the work, including all applicable Contract Activities, training, equipment, software, leases, reports and other documentation, to the State or the State's designee; (c) taking all necessary and appropriate steps, or such other action as the State may direct, to preserve, maintain, protect, or return to the State all materials, data, property, and confidential information provided directly or indirectly to Contractor by any entity, agent, vendor, or employee of the State; (d) transferring title in and delivering to the State, at the State's discretion, all completed or partially completed deliverables prepared under this Contract as of the Contract termination date; and (e) preparing an accurate accounting from which the State and Contractor may reconcile all outstanding accounts (collectively, "**Transition Responsibilities**"). This Contract will automatically be extended through the end of the transition period.
26. **General Indemnification.** Contractor must defend, indemnify and hold the State, its departments, divisions, agencies, offices, commissions, officers, and employees harmless, without limitation, from and against any and all actions, claims, losses, liabilities, damages, costs, attorney fees, and expenses (including those required to establish the right to indemnification), arising out of or relating to: (a) any breach by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable) of any of the promises, agreements, representations, warranties, or insurance requirements contained in this Contract; (b) any infringement, misappropriation, or other violation of any intellectual property right or other right of any third party; (c) any bodily injury, death, or damage to real or tangible personal property occurring wholly or in part due to action or inaction by Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable); and (d) any acts or omissions of Contractor (or any of Contractor's employees, agents, subcontractors, or by anyone else for whose acts any of them may be liable).

The State will notify Contractor in writing if indemnification is sought; however, failure to do so will not relieve Contractor, except to the extent that Contractor is materially prejudiced. Contractor must, to the satisfaction of the State, demonstrate its financial ability to carry out these obligations.



The State is entitled to: (i) regular updates on proceeding status; (ii) participate in the defense of the proceeding; (iii) employ its own counsel; and to (iv) retain control of the defense if the State deems necessary. Contractor will not, without the State's written consent (not to be unreasonably withheld), settle, compromise, or consent to the entry of any judgment in or otherwise seek to terminate any claim, action, or proceeding. To the extent that any State employee, official, or law may be involved or challenged, the State may, at its own expense, control the defense of that portion of the claim.

Any litigation activity on behalf of the State, or any of its subdivisions under this Section, must be coordinated with the Department of Attorney General. An attorney designated to represent the State may not do so until approved by the Michigan Attorney General and appointed as a Special Assistant Attorney General.

27. **Infringement Remedies.** If, in either party's opinion, any piece of equipment, software, commodity, or service supplied by Contractor or its subcontractors, or its operation, use or reproduction, is likely to become the subject of a copyright, patent, trademark, or trade secret infringement claim, Contractor must, at its expense: (a) procure for the State the right to continue using the equipment, software, commodity, or service, or if this option is not reasonably available to Contractor, (b) replace or modify the same so that it becomes non-infringing; or (c) accept its return by the State with appropriate credits to the State against Contractor's charges and reimburse the State for any losses or costs incurred as a consequence of the State ceasing its use and returning it.
28. **Limitation of Liability.** The State is not liable for consequential, incidental, indirect, or special damages, regardless of the nature of the action.
29. **Disclosure of Litigation, or Other Proceeding.** Contractor must notify the State within 14 calendar days of receiving notice of any litigation, investigation, arbitration, or other proceeding (collectively, "**Proceeding**") involving Contractor, a subcontractor, or an officer or director of Contractor or subcontractor, that arises during the term of the Contract, including: (a) a criminal Proceeding; (b) a parole or probation Proceeding; (c) a Proceeding under the Sarbanes-Oxley Act; (d) a civil Proceeding involving: (1) a claim that might reasonably be expected to adversely affect Contractor's viability or financial stability; or (2) a governmental or public entity's claim or written allegation of fraud; or (e) a Proceeding involving any license that Contractor is required to possess in order to perform under this Contract.
30. **State Data.** All data and information provided to Contractor by or on behalf of the State, and all data and information derived therefrom, is the exclusive property of the State ("**State Data**"); this definition is to be construed as broadly as possible. Upon request, Contractor must provide to the State, or a third party designated by the State, all State Data within 10 calendar days of the request and in the format requested by the State. Contractor will assume all costs incurred in compiling and supplying State Data. No State Data may be used for any marketing purposes.
31. **Reserved.**
32. **Non-Disclosure of Confidential Information.** The parties acknowledge that each party may be exposed to or acquire communication or data of the other party that is confidential, privileged communication not intended to be disclosed to third parties. The provisions of this Section survive the termination of this Contract.
- a. Meaning of Confidential Information. For the purposes of this Contract, the term "**Confidential Information**" means all information and documentation of a party that: (a) has been marked "confidential" or with words of similar meaning, at the time of disclosure by such party; (b) if disclosed orally or not marked "confidential" or with words of similar meaning, was subsequently



summarized in writing by the disclosing party and marked “confidential” or with words of similar meaning; and, (c) should reasonably be recognized as confidential information of the disclosing party. The term “Confidential Information” does not include any information or documentation that was: (a) subject to disclosure under the Michigan Freedom of Information Act (FOIA); (b) already in the possession of the receiving party without an obligation of confidentiality; (c) developed independently by the receiving party, as demonstrated by the receiving party, without violating the disclosing party’s proprietary rights; (d) obtained from a source other than the disclosing party without an obligation of confidentiality; or, (e) publicly available when received, or thereafter became publicly available (other than through any unauthorized disclosure by, through, or on behalf of, the receiving party). For purposes of this Contract, in all cases and for all matters, State Data is deemed to be Confidential Information.

- b. Obligation of Confidentiality. The parties agree to hold all Confidential Information in strict confidence and not to copy, reproduce, sell, transfer, or otherwise dispose of, give or disclose such Confidential Information to third parties other than employees, agents, or subcontractors of a party who have a need to know in connection with this Contract or to use such Confidential Information for any purposes whatsoever other than the performance of this Contract. The parties agree to advise and require their respective employees, agents, and subcontractors of their obligations to keep all Confidential Information confidential. Disclosure to a subcontractor is permissible where: (a) use of a subcontractor is authorized under this Contract; (b) the disclosure is necessary or otherwise naturally occurs in connection with work that is within the subcontractor’s responsibilities; and (c) Contractor obligates the subcontractor in a written contract to maintain the State’s Confidential Information in confidence. At the State’s request, any employee of Contractor or any subcontractor may be required to execute a separate agreement to be bound by the provisions of this Section.
- c. Cooperation to Prevent Disclosure of Confidential Information. Each party must use its best efforts to assist the other party in identifying and preventing any unauthorized use or disclosure of any Confidential Information. Without limiting the foregoing, each party must advise the other party immediately in the event either party learns or has reason to believe that any person who has had access to Confidential Information has violated or intends to violate the terms of this Contract and each party will cooperate with the other party in seeking injunctive or other equitable relief against any such person.
- d. Remedies for Breach of Obligation of Confidentiality. Each party acknowledges that breach of its obligation of confidentiality may give rise to irreparable injury to the other party, which damage may be inadequately compensable in the form of monetary damages. Accordingly, a party may seek and obtain injunctive relief against the breach or threatened breach of the foregoing undertakings, in addition to any other legal remedies which may be available, to include, in the case of the State, at the sole election of the State, the immediate termination, without liability to the State, of this Contract or any Statement of Work corresponding to the breach or threatened breach.
- e. Surrender of Confidential Information upon Termination. Upon termination of this Contract or a Statement of Work, in whole or in part, each party must, within 5 calendar days from the date of termination, return to the other party any and all Confidential Information received from the other party, or created or received by a party on behalf of the other party, which are in such party’s possession, custody, or control; provided, however, that Contractor must return State Data to the State following the timeframe and procedure described further in this Contract. Should Contractor or the State determine that the return of any Confidential Information is not feasible, such party must destroy the Confidential Information and must certify the same in writing within 5 calendar days from the date of termination to the other party. However, the State’s legal ability to destroy



Contractor data may be restricted by its retention and disposal schedule, in which case Contractor's Confidential Information will be destroyed after the retention period expires.

33. **Reserved.**

34. **Reserved.**

35. **Reserved.**

36. **Records Maintenance, Inspection, Examination, and Audit.** The State or its designee may audit Contractor to verify compliance with this Contract. Contractor must retain, and provide to the State or its designee and the auditor general upon request, all financial and accounting records related to the Contract through the term of the Contract and for 4 years after the latter of termination, expiration, or final payment under this Contract or any extension ("**Audit Period**"). If an audit, litigation, or other action involving the records is initiated before the end of the Audit Period, Contractor must retain the records until all issues are resolved.

Within 10 calendar days of providing notice, the State and its authorized representatives or designees have the right to enter and inspect Contractor's premises or any other places where Contract Activities are being performed, and examine, copy, and audit all records related to this Contract. Contractor must cooperate and provide reasonable assistance. If any financial errors are revealed, the amount in error must be reflected as a credit or debit on subsequent invoices until the amount is paid or refunded. Any remaining balance at the end of the Contract must be paid or refunded within 45 calendar days.

This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.

37. **Warranties and Representations.** Contractor represents and warrants: (a) Contractor is the owner or licensee of any Contract Activities that it licenses, sells, or develops and Contractor has the rights necessary to convey title, ownership rights, or licensed use; (b) all Contract Activities are delivered free from any security interest, lien, or encumbrance and will continue in that respect; (c) the Contract Activities will not infringe the patent, trademark, copyright, trade secret, or other proprietary rights of any third party; (d) Contractor must assign or otherwise transfer to the State or its designee any manufacturer's warranty for the Contract Activities; (e) the Contract Activities are merchantable and fit for the specific purposes identified in the Contract; (f) the Contract signatory has the authority to enter into this Contract; (g) all information furnished by Contractor in connection with the Contract fairly and accurately represents Contractor's business, properties, finances, and operations as of the dates covered by the information, and Contractor will inform the State of any material adverse changes; and (h) all information furnished and representations made in connection with the award of this Contract is true, accurate, and complete, and contains no false statements or omits any fact that would make the information misleading. A breach of this Section is considered a material breach of this Contract, which entitles the State to terminate this Contract under Section 23, Termination for Cause.

38. **Conflicts and Ethics.** Contractor will uphold high ethical standards and is prohibited from: (a) holding or acquiring an interest that would conflict with this Contract; (b) doing anything that creates an appearance of impropriety with respect to the award or performance of the Contract; (c) attempting to influence or appearing to influence any State employee by the direct or indirect offer of anything of value; or (d) paying or agreeing to pay any person, other than employees and consultants working for Contractor, any consideration contingent upon the award of the Contract. Contractor must immediately notify the State of any violation or potential violation of these standards. This Section applies to Contractor, any parent, affiliate, or subsidiary organization of Contractor, and any subcontractor that performs Contract Activities in connection with this Contract.



39. **Compliance with Laws.** Contractor must comply with all federal, state and local laws, rules and regulations.
40. **Reserved.**
41. **Reserved.**
42. **Nondiscrimination.** Under the Elliott-Larsen Civil Rights Act, 1976 PA 453, MCL 37.2101, *et seq.*, and the Persons with Disabilities Civil Rights Act, 1976 PA 220, MCL 37.1101, *et seq.*, Contractor and its subcontractors agree not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, marital status, or mental or physical disability. Breach of this covenant is a material breach of this Contract.
43. **Unfair Labor Practice.** Under MCL 423.324, the State may void any Contract with a Contractor or subcontractor who appears on the Unfair Labor Practice register compiled under MCL 423.322.
44. **Governing Law.** This Contract is governed, construed, and enforced in accordance with Michigan law, excluding choice-of-law principles, and all claims relating to or arising out of this Contract are governed by Michigan law, excluding choice-of-law principles. Any dispute arising from this Contract must be resolved in Michigan Court of Claims. Contractor consents to venue in Ingham County, and waives any objections, such as lack of personal jurisdiction or *forum non conveniens*. Contractor must appoint agents in Michigan to receive service of process.
45. **Non-Exclusivity.** Nothing contained in this Contract is intended nor will be construed as creating any requirements contract with Contractor. This Contract does not restrict the State or its agencies from acquiring similar, equal, or like Contract Activities from other sources.
46. **Force Majeure.** Neither party will be in breach of this Contract because of any failure arising from any disaster or acts of god that are beyond their control and without their fault or negligence. Each party will use commercially reasonable efforts to resume performance. Contractor will not be relieved of a breach or delay caused by its subcontractors. If immediate performance is necessary to ensure public health and safety, the State may immediately contract with a third party.
47. **Dispute Resolution.** The parties will endeavor to resolve any Contract dispute in accordance with this provision. The dispute will be referred to the parties' respective Contract Administrators or Program Managers. Such referral must include a description of the issues and all supporting documentation. The parties must submit the dispute to a senior executive if unable to resolve the dispute within 15 business days. The parties will continue performing while a dispute is being resolved, unless the dispute precludes performance. A dispute involving payment does not preclude performance.
- Litigation to resolve the dispute will not be instituted until after the dispute has been elevated to the parties' senior executive and either concludes that resolution is unlikely, or fails to respond within 15 business days. The parties are not prohibited from instituting formal proceedings: (a) to avoid the expiration of statute of limitations period; (b) to preserve a superior position with respect to creditors; or (c) where a party makes a determination that a temporary restraining order or other injunctive relief is the only adequate remedy. This Section does not limit the State's right to terminate the Contract.
48. **Media Releases.** News releases (including promotional literature and commercial advertisements) pertaining to the Contract or project to which it relates must not be made without prior written State approval, and then only in accordance with the explicit written instructions of the State.



49. **Website Incorporation.** The State is not bound by any content on Contractor's website unless expressly incorporated directly into this Contract.
50. **Entire Agreement and Order of Precedence.** This Contract, which includes Schedule A – Statement of Work, and expressly incorporated schedules and exhibits, is the entire agreement of the parties related to the Contract Activities. This Contract supersedes and replaces all previous understandings and agreements between the parties for the Contract Activities. If there is a conflict between documents, the order of precedence is: (a) first, this Contract, excluding its schedules, exhibits, and Schedule A – Statement of Work; (b) second, Schedule A – Statement of Work as of the Effective Date; and (c) third, schedules expressly incorporated into this Contract as of the Effective Date. NO TERMS ON CONTRACTOR'S INVOICES, ORDERING DOCUMENTS, WEBSITE, BROWSE-WRAP, SHRINK-WRAP, CLICK-WRAP, CLICK-THROUGH OR OTHER NON-NEGOTIATED TERMS AND CONDITIONS PROVIDED WITH ANY OF THE CONTRACT ACTIVITIES WILL CONSTITUTE A PART OR AMENDMENT OF THIS CONTRACT OR IS BINDING ON THE STATE FOR ANY PURPOSE. ALL SUCH OTHER TERMS AND CONDITIONS HAVE NO FORCE AND EFFECT AND ARE DEEMED REJECTED BY THE STATE, EVEN IF ACCESS TO OR USE OF THE CONTRACT ACTIVITIES REQUIRES AFFIRMATIVE ACCEPTANCE OF SUCH TERMS AND CONDITIONS.
51. **Severability.** If any part of this Contract is held invalid or unenforceable, by any court of competent jurisdiction, that part will be deemed deleted from this Contract and the severed part will be replaced by agreed upon language that achieves the same or similar objectives. The remaining Contract will continue in full force and effect.
52. **Waiver.** Failure to enforce any provision of this Contract will not constitute a waiver.
53. **Survival.** The provisions of this Contract that impose continuing obligations, including warranties and representations, termination, transition, insurance coverage, indemnification, and confidentiality, will survive the expiration or termination of this Contract.
54. **Contract Modification.** This Contract may not be amended except by signed agreement between the parties (a "**Contract Change Notice**"). Notwithstanding the foregoing, no subsequent Statement of Work or Contract Change Notice executed after the Effective Date will be construed to amend this Contract unless it specifically states its intent to do so and cites the section or sections amended.



STATE OF MICHIGAN

Contract No. 071B7700185
On-Site Oral and Urine Drug Test Kits

SCHEDULE A STATEMENT OF WORK CONTRACT ACTIVITIES

This schedule identifies the anticipated requirements of the Contract. The term "Contractor" in this document refers to Peckham, Inc.

Project Request

This Contract is for the Contractor to provide drug test kits to the Michigan Department of Corrections (MDOC). The MDOC is responsible for all substance abuse testing and treatment programs for prisoners, parolees and probationers under its jurisdiction.

In-Scope

Contractor must provide non-instrumented drug testing (NIDT) devices and must be responsible for distributing them to all MDOC locations, in order for the MDOC to test prisoners, parolees, and probationers under its jurisdiction. In the instance of a positive result from an on-site test kit, MDOC staff or their designee may collect an additional sample to be sent to an off-site laboratory for screening and confirmation services.

Contractor staff or subcontractors may be requested to attend a court hearing concerning their products.

The Contractor may be required to visit parole or probation office locations and community-based treatment provider locations to meet with MDOC staff, provide training, guidance and service. Contractor staff may have access to departmental databases and may be required to enter into correctional facilities or other State of Michigan buildings to meet with staff conduct trainings or provide services.

The Contractor and its subcontractors shall comply with the security access requirements of individual State facilities.

There shall be no charges by the Contractor for the transition period of September 1, 2017 – September 30, 2017

1. General Requirements

1.1 On-Site Drug Test Kits

A. On-Site Drug Test Kits Categories

The Contractor must provide:

1. Saliva Point of Collection (POC) screening devices
2. Urine Point of Collection (POC) screening devices
 - a. Dip Sticks with Cups
 - b. Lids
 - c. In-Cups

B. Substance Abuse Mental Health Services Administration/Center for Substance Abuse Prevention (SAMHSA/CSAP) Guidelines



For both Saliva POC and Urine POC screening devices, all drugs must meet the current test cutoff concentration levels stated in the Substance Abuse Mental Health Services Administration/Center for Substance Abuse Prevention (SAMHSA/CSAP) Guidelines, within the U.S. Department of Health and Human Services. For drugs not covered by SAMHSA recommendations, Contractor should provide cutoff levels that are more aggressive in the detection of the specific drug metabolite.

C. Ordering and Delivery Process

1. Order Verification

The Contractor must have internal controls, to verify abnormal orders and to ensure that only authorized individuals place orders.

2. Online Ordering Capabilities

The Contractor must possess and maintain online ordering capabilities.

3. Delivery

a. Delivery Programs

The Contractor's delivery program must be able to ensure deliveries to MDOC locations within 5 business days from receipt of order.

b. Reserved

c. The Contractor must provide a certificate of compliance in each box/package shipped. Duplicate copies shall be enclosed with each shipment and also forwarded to the MDOC Program Manager upon request.

d. The Contractor must verify all lots are shipped at least six months before the expiration date. If lots shipped are under six months from the expiration date, the Contractor must resend deliverables.

e. The Contractor must ensure deliverables under the Contract are delivered within 5 business days from receipt of order to the MDOC location that requested services. If deliverables are unable to be delivered within 5 business days, the Contractor must immediately notify the MDOC requestor and provide an estimated date of delivery. The receipt of order date is pursuant to Section 2, Notices, of the Standard Contract Terms. Deliveries will be accepted 8:00a.m. through 5:00 p.m. ET Monday through Friday, excluding State of Michigan Holidays. The State of Michigan Holidays are: New Year's Day, Martin Luther King Jr. Day, President's Day, Memorial Day, Independence Day, Labor Day, General Election Day on even numbered years, Veterans Day, Thanksgiving Day, Day after Thanksgiving, Christmas Eve, Christmas Day, and New Year's eve.

f. The Contractor is responsible for delivering the products to the correct delivery locations. Delivery to any other MDOC facility or parole/probation office will not be accepted unless approved by the MDOC Program Manger prior to delivery.



The Contractor must be aware that there is a possibility of a delay at any of the correctional facilities which prohibits delivery carriers entering the facility at time of arrival. The State will not be responsible for any additional charges which may arise due to delivery delays caused by a mobilization or any other reason.

1. The Contractor must not bill any overage over five percent of the requested order. MDOC will not pay for overages over five percent of the requested order.
2. The Contractor must provide a pre-paid method of return if the MDOC rejects a delivery.
3. The Contractor must have internal controls and processes for back orders, partial delivery, and overages to include but not limited to the following:
 - a. Maintain ISO 9001 certification
 - b. Track inventory to account for monthly and yearly volume trends
 - c. Utilize first in first out (FIFO) methods
 - d. Stock 90 days quantity of any commonly ordered products
 - e. Notification of expedited shipments
 - f. For overages provide a pre-paid UPS pickup ticket for return of product from MDOC back to Contractor.
4. Reserved

4. Storage of Deliverables

The Contractor must store devices under appropriate storage conditions and distributing devices upon request from authorized facilities.

5. Packaging

The Contractor must ensure packaging is optimized to permit the lowest freight rate.

D. Resources

The Contractor's deliverables shall adhere to the following resources which the below specifications were derived from:

1. Current Guidelines for Federal Workplace Testing Programs, Department of Health and Human Services, Substance Abuse Mental Health Services Administration.
2. U.S. Food and Drug Administration, Center for Devices and Radiological Health, 510K Clearance Process.
<http://www.fda.gov/MedicalDevices/DeviceRegulationandGuidance/HowtoMarketYourDevice/PremarketSubmissions/PremarketNotification510k/ucm2005718.htm>
3. Title 21 Code of Federal Regulations (CFR) Part 807

E. MDOC Pilot Programs



MDOC reserves the right to pilot or use other on-site products that are manufactured and/or distributed by other manufacturers/distributors and utilize other types of on-site drug test devices, including, but not limited to saliva/oral fluid, hair, or urine.

1.2 Specifications: Saliva Point of Collection (POC) Screening Devices

- A. Basic Specifications for adherence:
 - 1. The swab must be attached or be able to be attached to the test reader device.
 - 2. All parts of the device shall not break when dropped from four feet when the device is not filled with tap water.
 - 3. All parts of the device shall not break when dropped from four feet when the device is filled with tap water.
 - 4. The device shall not have leaks when filled with tap water and tipped in all directions.
 - 5. All results must be available in 15 minutes or less.
- B. The MDOC reserves the right to add, delete, or change a drug, or change a test cutoff concentration level under this Contract.
- C. Contractor must adhere to the following Initial Cut-Off Concentrations levels for Saliva POC Devices

Initial Test Cutoff Concentration	ng/mL
THC Parent drug and Metabolite	25/40
Cocaine metabolites	20
Opiate metabolites	20
Phencyclidine	10
Amphetamines (Methamphetamine)	50
Oxycodone	20
Methamphetamine	50
Buprenorphine	5
Fentanyl	10
Tramadol	20
K2/Spice	30
Benzodiazepines	10
Methadone	30
Barbiturates	50
Alcohol	0.02% *

*BAC

1.3 Specifications: Urine Point of Collection Screening Devices

- A. Basic Specifications for adherence:
 - 1. Dip Sticks with Cups
 - a. The Dip Sticks shall range from a single panel through a 13 panel test.
 - b. The diameter of the cup must be a minimum of two inches.
 - c. The clarity of the cup must allow for results to be read.
 - d. The cup shall not break when dropped from four feet
 - e. The cup must not leak when filled with tap water.
 - f. All results must be available in five minutes or less.



NOTE: Results are to be available between 30 seconds to 2 minutes.
 Positive results should be read at 5 minutes.
 Accuracy rate to be greater than 99% at +/- 50% cut off levels.
 Results are to be stable for 60 minutes.

2. Lids

- a. The lid must attach to the cup.

3. In-Cups

- a. The In-Cups shall range from a single panel through a 13 panel test.
- b. The diameter of the cup must be a minimum of two inches.
- c. The clarity of the cup must allow for results to be read.
- d. The cup shall not break when dropped from four feet.
- e. The cup must not leak when filled.
- f. The lid must attach to the cup.
- g. All parts of the device shall not break when dropped from four feet when the device is not filled with tap water.
- h. All parts of the device shall not break when dropped from four feet when the device is filled (with safety seal on if the lid has a slit).
- i. The device shall not have leaks when filled and tipped in all directions (with safety seal on if the lid has a slit).
- j. All results must be available in five minutes or less.

NOTE: Results are to be available between 30 seconds to 2 minutes.
 Positive results should be read at 5 minutes.
 Accuracy rate to be greater than 99% at +/- 50% cut off levels.
 Results are to be stable for 60 minutes

- B. Contractor must provide Food and Drug Administration (FDA) clearance letters or documentation for test accuracy if not FDA cleared, for all products.
- C. The MDOC reserves the right to add, delete, or change a drug, or change a test cutoff concentration level under this Contract.
- D. Contractor must adhere to the following Initial Cut-Off Concentrations levels for Urine POC Devices.

Initial Test Cutoff Concentration	ng/mL
THC Parent drug and Metabolite	50
Cocaine metabolites	150
Opiate metabolites	300



Phencyclidine	25
Amphetamines (Methamphetamine)	1000
Benzodiazepines	200
Propoxyphene	300
Oxycodone	100
Buprenorphine	10
Fentanyl	50
TML	100
MTD	300
EDDP	300
MDMA	500
Barbiturates	50
6 MAM (Heroin Metabolite)	10
K2/Spice	25
Alcohol	0.02%*
EtG	500

*BAC

1.4 Warranties

The Contractor must ensure all complaints regarding safety, efficacy, reliability, or quality of products and services as well as customer expectation are subject to appropriate review and further investigation, as warranted, and a prompt response and corrective action when necessary.

The State reserves the right to require additional warranties.

1.5 Recall Requirements and Procedures

The Contractor must email the MDOC Program Managers and Contract Monitor within 1 business day after Contractor gains knowledge of a recall occurring.

1.6 Quality Assurance Program

The Contractor and the Contractor's subcontractor must have a Quality Assurance Program(s) in place to include but not limited to the following:

- a. Utilization of its Quality System containing a series of high-level procedures in the convention of the latest ISO 9001 (Contractor) and ISO 13485 (Contractor's subcontractor) system element format.

1.7 Reserved

2. Training, Reporting, and Meetings

2.1 Training

The Contractor must provide the following training:

A. Initial Training

The Contractor must provide on-site training to MDOC personnel within the first two months of the Contract start date, in order to enable sites to routinely request tests and ensure that results are successfully submitted electronically to the MDOC computer systems. MDOC on-site personnel at MDOC locations (prisons, parole and probation offices across the State) must be trained and



supplied with, including but not limited to:

1. Collection devices
2. Chain of custody forms
3. Pick up supplies
4. Drug trends
5. Any other Contract related materials

The Contractor must implement a Training Plan for MDOC on-site personnel at MDOC locations. The Training Plan shall include but is not limited to the following:

1. Ordering Processes
2. An Issue Management Plan that includes a standard issue management process for managing the project. The plan should identify the issue management process to be utilized for this project, including responsible parties, phone numbers, email addresses if relevant, and processes.
3. A Training Plan Timeframe for training all MDOC locations within the first two months of the Contract start date.

Below is Contractor's training plan outline (Contractor and Contractor's subcontractor to perform):

On-site training will include product procedure, training on portal (order processing, Inventory management, budget tracking, reporting on key metrics such as positivity rates. Training will include discussion of cross reactivity and specifically OPA strip vs. synthetic opioids. Training will include demonstrations illustrating which drugs react with the OPI strip (codeine, hydrocodone, morphine, heroin) and which are not reactive with the opiate strip such as oxycodone, fentanyl, tramadol, buprenorphine, etc. A FAQ database will be maintained as a resource for MDOC. Additionally, initial roll out and continued education training will also cover emerging trends in drugs of abuse and new technology in testing, adulteration (and more importantly best practice to guard against adulteration), and discussion of different advantages and limitations of urine vs. oral fluid testing.

Subcontractor will provide on-site training to all MDOC offices. If MDOC desires, regional training can be established at central sites. To supplement on-site training, weekly webinars can be done.

Below is Contractor's Issue management plan outline (Contractor and Contractor's subcontractor to perform):

Customer Service will respond within 2 business hours for issues called or emailed. Subcontractor will provide dedicated toxicology support and access to a team of certifying scientist who will answer questions on medications that can react with the test strips, drug metabolisms, differences in urine vs. oral fluid technology and test results, and any other questions.

B. Annual Training

The Contractor is responsible for providing training to MDOC staff at each location where the device is used. Training shall occur on an annual basis or at the request of the MDOC Program Manager.

C. Training Costs

The Contractor must provide the initial and annual training and/or instructions for use of the devices at no cost to the State.



D. The Contractor must provide documentation and training materials.

2.2 Reporting

The Contractor must submit a usage report each month to the MDOC Program Managers no later than the 10th business day following the reporting period, stating:

1. The MDOC locations that received POC devices during the month
2. Type of POC devices delivered to each location
3. Quantity of POC devices shipped to each location
4. The total dollar amount by POC device type for each location

Reports must be provided at no cost to the State.

The MDOC reserves the right to request other reports. Reports must be provided at no cost to the State.

2.3 Meetings

The Contractor must attend the following meetings:

A. Kickoff Meeting

Within one month of a contract award unless otherwise specified, the Contractor shall attend a kick off meeting with MDOC.

B. Contract Meetings

The MDOC Program Manager(s) and Contract Monitor shall meet semi-annually, at a minimum, with the Contractor's Program Manager for the purpose of reviewing progress and providing necessary guidance to the Contractor in solving issues which may arise. The meeting may also be for on-site inspection of the Contractor's operation and premises. All costs related to these visits will be the responsibility of the Contractor.

C. MDOC Locations Meetings

The Contractor is responsible for the development of a schedule of regular visits to MDOC locations in order to assist MDOC staff in problem solving, or other issues related to the use of their device. This schedule of announced visits shall be approved by the MDOC Program Manager prior to implementation.

The State may request other meetings as it deems appropriate.

3. Staffing

3.1. Contractor Representative/Customer Service Toll-Free Number

The Contractor has assigned Mike Stover to State of Michigan accounts, responding to State inquiries regarding the Contract Activities, answering questions related to ordering and delivery, etc. (the "Contractor Representative").

Mike Stover can be reached at 517-316-4285 or mstover@peckham.org

Additionally the Contractor's subcontractor's representative will be Todd Bailey (612-817-5397 or tbailey@premierbiotech.com).



The Contractor must obtain a toll-free number for the State (unless otherwise noted) to make contact with the Contractor Representative. The Contractor Representative must be available for calls during the hours of 8 am to 5 pm ET.

The Contractor's toll free number is 1-877-394-6520.
The Subcontractor's toll free number is 1-888-686-9909.

The Contractor Representative shall notify the MDOC Program Manager in the event of inappropriate use of devices under this Contract.

3.2 Key Personnel

- A. The Contractor must appoint an individual who will be directly responsible for the day to day operations of the Contract ("Key Personnel"). At a minimum, the Key Personnel under this Contract is the Customer Representative. The Key Personnel will respond to State inquiries regarding the Contract Activities, answer questions related to ordering and delivery, submit all reports, attend all meetings with the MDOC, answer any questions and requests for training, etc. Key Personnel must be specifically assigned to the State account, be knowledgeable on the contractual requirements, and respond to State inquiries within 24 hours.

The following individuals are proposed Key Personnel

Mike Stover (517-316-4285) – oversee daily, weekly, and monthly contract activities

Todd Bailey (612-817-5397) – training, support, continued education of the drugs of abuse, respond to MDOC requests regarding orders, deliveries, reports and training, etc.

- B. The State has the right to recommend and approve in writing the initial assignment, as well as any proposed reassignment or replacement, of any Key Personnel. Before assigning an individual to any Key Personnel position, Contractor will notify the State of the proposed assignment, introduce the individual to the MDOC Program Manager, and provide the State with a resume and any other information about the individual reasonably requested by the State. The State reserves the right to interview the individual before granting written approval. In the event the State finds a proposed individual unacceptable, the State will provide a written explanation including reasonable detail outlining the reasons for the rejection. The State may require a 30-calendar day training period for replacement personnel.
- C. Contractor will not remove any Key Personnel from their assigned roles on this Contract without the prior written consent of the State. The Contractor's removal of Key Personnel without the prior written consent of the State is an unauthorized removal ("Unauthorized Removal"). An Unauthorized Removal does not include replacing Key Personnel for reasons beyond the reasonable control of Contractor, including illness, disability, leave of absence, personal emergency circumstances, resignation, or for cause termination of the Key Personnel's employment. Any Unauthorized Removal may be considered by the State to be a material breach of this Contract, in respect of which the State may elect to terminate this Contract for cause under Termination for Cause in the Standard Terms. It is further acknowledged that an Unauthorized Removal will interfere with the timely and proper completion of this Contract, to the loss and damage of the State, and that it would be impracticable and extremely difficult to fix the actual damage sustained by the State as a result of any Unauthorized Removal. Therefore, Contractor and the State agree that in the case of any Unauthorized Removal in respect of which the State does not elect to exercise its rights under Termination for Cause, Contractor will issue to the State the corresponding credits set forth below (each, an "Unauthorized Removal Credit"):



(i) For the Unauthorized Removal of any Key Personnel designated in the applicable Statement of Work, the credit amount will be \$10,000.00 per individual if Contractor identifies a replacement approved by the State and assigns the replacement to shadow the Key Personnel who is leaving for a period of at least 30 calendar days before the Key Personnel's removal.

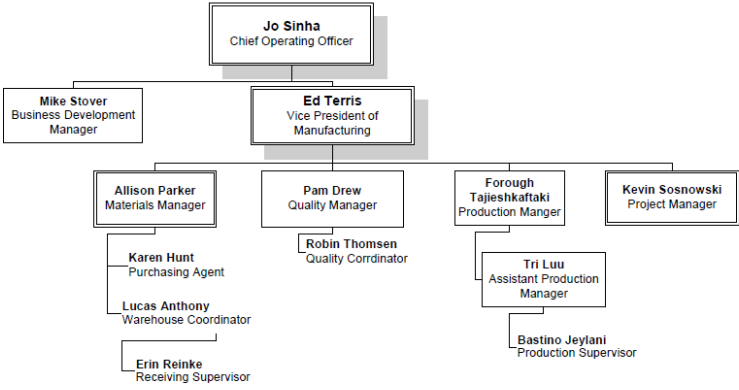
(ii) If Contractor fails to assign a replacement to shadow the removed Key Personnel for at least 30 calendar days, in addition to the \$10,000.00 credit specified above, Contractor will credit the State \$333.33 per calendar day for each day of the 30 calendar-day shadow period that the replacement Key Personnel does not shadow the removed Key Personnel, up to \$10,000.00 maximum per individual. The total Unauthorized Removal Credits that may be assessed per Unauthorized Removal and failure to provide 30 calendar days of shadowing will not exceed \$10,000.00 per individual.

D. Contractor acknowledges and agrees that each of the Unauthorized Removal Credits assessed above: (i) is a reasonable estimate of and compensation for the anticipated or actual harm to the State that may arise from the Unauthorized Removal, which would be impossible or very difficult to accurately estimate; and (ii) may, at the State's option, be credited or set off against any fees or other charges payable to Contractor under this Contract.

3.4. Organizational Chart

Contractor Manufacturing Division Organizational Chart

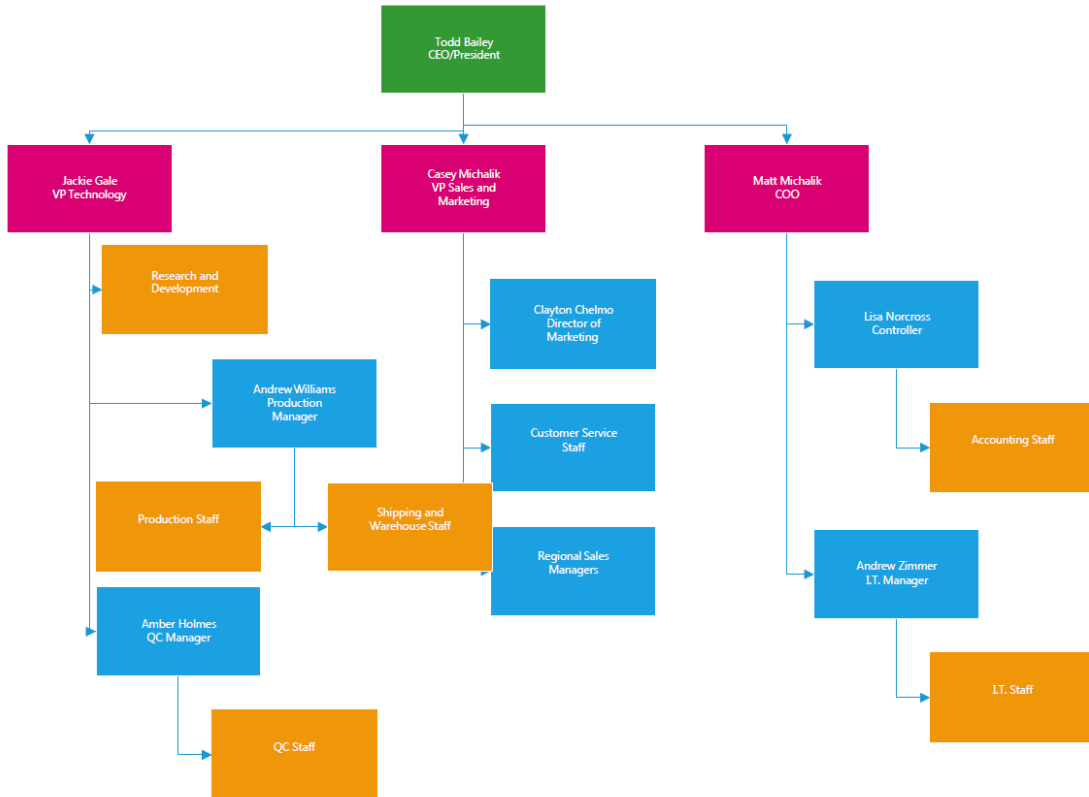
Peckham, Inc.
Manufacturing Division Organizational Chart





Subcontractor Organizational Chart

Premier Biotech Inc



3.5 Work Hours & Call Center Location

A. Work Hours

The Contractor must provide Contract Activities for the hours stated in the applicable purchase order for the MDOC Location(s).

B. Call Center

The call center is located in Minneapolis, Minnesota.

The Contractor must disclose location changes of the Call Center to the MDOC Program Managers and Contract Monitor at least 20 business days before the changes occur.

3.6 Disclosure of Subcontractors

If the Contractor intends to utilize subcontractors, the Contractor must disclose the following:

The legal business name; address; telephone number; a description of subcontractor's organization and the services it will provide; and information concerning subcontractor's ability to provide the Contract Activities.

The relationship of the subcontractor to the Contractor.

Whether the Contractor has a previous working experience with the subcontractor. If yes, provide the details of that previous relationship.



A complete description of the Contract Activities that will be performed or provided by the subcontractor.

The Contractor has identified the following subcontractor.

Premier Biotech – manufacturer and provider of the drugs of abuse test
723 Kasota Avenue SE
Minneapolis, MN 55414
Customer Service number: 888-686-9909

3.7 Security

The Contractor will be subject the following security procedures:

- A. All Contractor and subcontractor staff working on the Contract must undergo a security and background check, to include at a minimum ICHAT <http://apps.michigan.gov/ichat/home.aspx>, to be performed by the Contractor at its expense.
- B. Due to Contractor and subcontractor staff having access to work with offenders (prisoners, parolees, probationers), the Contractor must complete the Law Enforcement Information Network (LEIN) Information Form providing the necessary information for those employees working under the Contract that provide direct services, handle or may have access to offender records, or provide supervisory services to staff performing any of the previously identified functions. The LEINs must be conducted to ensure staff working under the Contract have no outstanding warrants, no active personal protection orders for domestic violence, are not currently on probation or parole, or otherwise under the jurisdiction of any federal, State, county or local criminal justice agency, for a minimum of two years. The Contractor must submit the LEIN application to MDOC-SAS-LEINS@michigan.gov. The MDOC has five business days to respond to the LEIN and credential review. Documentation of LEIN approval must be received before the Contracted staff can begin work. Any questions from the Contractor related to LEINs should be sent to the mailbox listed.

If an employee of the Contractor or subcontractor has a conviction for any of the following they may not be permitted to enter any MDOC facility which houses prisoners:

1. Engaging in sexual abuse in a prison, jail, lockup, community confinement facility, juvenile facility or other institution (as defined in 42 U.S.C. 1997);
 2. Been convicted of engaging in, attempting to engage in or conspiracy to engage in sexual activity facilitated by force, overt or implied threats of force or coercion, or if the victim did not consent or was unable to consent or refuse; or
 3. Been civilly or administratively adjudicated to have engaged in the activity described in Number 2 above.
- C. The Contractor and subcontractor staff may be required to complete and submit an RI-8 Fingerprint Card for Finger Print Checks to the MDOC.
 - D. The Contractor must anticipate delays when visiting any facility due to issues within that facility.
 - E. All vehicles entering a MDOC correctional facility must be inspected before entry of the secure perimeter.



- F. The MDOC reserves the right to deny access to any facility to any Contractor(s)/ subcontractor(s) staff members who fails to comply with any applicable State, Federal or local law, ordinance or regulation or whose presence may compromise the security of the facility, its members or staff.
- G. All drug, alcohol, tobacco products, cellular devices, smart watches, ipads, computers, weapons, fireworks and explosives are prohibited at all correctional facilities.
- H. Contractor(s) that come into the Administration Building of a correctional facility will need to secure their cellular devices and personal tobacco products in their locked vehicle prior to entrance. If the Contractor arrives with such products, the Contractor will be requested to return them to their locked/secured motor vehicle.
- I. The MDOC may require the Contractor's personnel to wear State-MDOC issued identification badges.
- J. The Contractor's staff may be required to enter MDOC facilities. Additionally, the State may require the Contractor's personnel to wear State issued identification badges.

3.8 Prisoner Rape Elimination Act (PREA)

- A. Prison Rape Elimination Act (PREA) of 2003: Public Law 108-79, Sept. 4, 2003.
The Contractor must comply with the Federal Prison Rape Elimination Act, 28 CFR Part 115. Overfamiliarity, establishing a friendship, mutual attraction or intimate relationship with a prisoner, is strictly prohibited. The Contractor must immediately refer any allegations of sexual abuse or sexual harassment made by a prisoner to the MDOC staff. The Contractor shall ensure compliance with the National Standards to Prevent, Detect and Respond to Prison Rape, effective August 20, 2012 at <http://www.gpo.gov/fdsys/pkg/FR-2012-06-20/pdf/2012-12427.pdf>. Overfamiliarity with prisoners is strictly prohibited. If the Contractor does not abide by these standards, it is considered a breach of Contract.
- B. Any and all contractors, or subcontractors that may have contact with offenders in accordance with PREA §115.32 must complete PREA training *Program A: Correctional Facilities Administration* prior to entrance in any MDOC facility. Upon completion, the Contractor shall submit a signed memorandum to the Program Manager or designee documenting who completed the training and on what date
- C. Anyone, including contractors or subcontractors who observes sexual abuse/sexual harassment or receives an allegation of sexual abuse /sexual harassment, must report it to an MDOC supervisor immediately, the same day as the allegation or observation was made.
- D. As is deemed necessary, the MDOC Contract Monitor or Program Manager will provide the Contractor with current copies of all PREA documents via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor must comply with all documentation provided.



3.9 Vendor Handbook

The Contractor will require all its employees working inside a MDOC correctional facility, to read and sign the MDOC Vendor Handbook upon award of Contract. The purpose of the MDOC Vendor Handbook is to provide the Contractor with general information regarding basic requirements of working within the MDOC, provide notice of work rules and consequences of rule violations. The awarded Contractor must provide copies of each signed Employee Acknowledgement to the MDOC Program Manager, at the completion of the employee's orientation.

As deemed necessary, the MDOC Contract Monitor or Program Manager will provide the Contractor with current copies of all Vendor Handbook documents via email. Any revisions to the documents will be emailed to the Contractor throughout the Contract period, and the Contractor must comply with all documentation provided.

4. Acceptance

4.1. Acceptance, Inspection and Testing

The following criteria will be used:

Contractor provides all services as specified in Contract.

5. Authorizing Document

The appropriate authorizing document for the Contract will be purchase orders. The hours for delivery shall be stated on the applicable purchase order. All orders are subject to the terms and conditions of this Contract. No additional terms and conditions contained on a purchase order are allowed.

6. Pricing

Pricing is firm for the entire length of the Contract

See Schedule B for pricing.

Tax Excluded from price

- A. Sales Tax: For purchases made directly by the State, the State is exempt from State and Local Sales Tax. Prices must not include the taxes. Exemption Certificates for State Sales Tax will be furnished upon request.

- B. Federal Excise Tax: The State may be exempt from Federal Excise Tax, or the taxes may be reimbursable, if articles purchased under any resulting Contract are used for the State's exclusive use. Certificates showing exclusive use for the purposes of substantiating a tax-free, or tax-reimbursable sale will be sent upon request. If a sale is tax exempt or tax reimbursable under the Internal Revenue Code, prices must not include the Federal Excise Tax.

7. Invoice and Payment

7.1 Invoice Requirements

All invoices submitted to the MDOC must include:

1. Date
2. Contract Number
3. Purchase Order Number
4. Quantity
5. Description of the Contract Activities
6. Unit price
7. Total price



Shipping Costs, Overtime, Holiday Pay, and Travel Expenses will not be paid.

7.2 Payment Methods

The State will make payment for Contract Activities via Electronic Funds Transfer.

8. Project Management

8.1 Project Plan

Within 30 calendar days of the Contract start date, the Contractor must submit a project plan to the MDOC Program Managers for final approval. The plan must include:

1. The project breakdown showing sub-projects, tasks, and resources required, including how it will be reviewed and updated on a regular basis
2. Methods, tools and processes proposed to oversee the project
3. Development and approval of customized forms
4. Shipment dates of supplies to MDOC locations in Attachment D, MDOC Locations.
5. The Contractor's plan to address issues or changes as they may arise, and keep the appropriate parties apprised of progress

9. Additional Requirements

9.1 Environmental and Energy Efficient Products

The Contractor must identify any energy efficient, bio based, or otherwise environmental friendly products used in the products.

9.2 Hazardous Chemical Identification

In accordance with the federal Emergency Planning and Community Right-to-Know Act, 42 USC 11001, *et seq.*, as amended, the Contractor must provide a Material Safety Data Sheet listing any hazardous chemicals, as defined in 40 CFR §370.2, to be delivered. Each hazardous chemical must be properly identified, including any applicable identification number, such as a National Stock Number or Special Item Number.

9.3 Mercury Content

Pursuant to MCL 18.1261d, mercury-free products must be procured when possible. All products containing mercury must be labeled as containing mercury.

9.4 Brominated Flame Retardants

The State prefers to purchase products that do not contain brominated flame retardants (BFRs) whenever possible.



STATE OF MICHIGAN

Contract No. 071B7700185
On-Site Oral and Urine Drug Test Kits

SCHEDULE B PRICING

1. Pricing must include all costs, including but not limited to, any one-time or set-up charges, fees, logistical tasks of storing, monitoring, shipping of the devices, travel, and potential costs that Contractor may charge the State (e.g., shipping and handling, per piece pricing, and palletizing).
2. The MDOC reserves the right to add, delete, or change a drug, or add new panels for Urine Point of Collection Screening Devices and Saliva Point of Collection Screening Devices under Contract. The Contractor must provide requested prices within 5 business day after the State request.

Pricing Schedule

Item Listing for Urine Point of Collection Screening Devices

Panel Base Price	Type	Price per Test	Quantity per Case or Package	Estimate Annual Units*	Cost to replace non-specialty drug with a specialty drug.
Single Panel	The following drugs can be provided as a single panel drug test Dip Stick with cup:			30,000	Please note that we have included the pricing for specialty drugs in the Price per Test Section. ETG is \$2.00 per Test. Fentanyl, K2 and Tramadol are \$0.75/test. The specialty pricing is for dips only. For In-Cup pricing, all drugs other than ETG are included in the pricing. ETG pricing for a cup adds \$1.50 to that panel.
	Amphetamine		25		
	Barbiturates	\$.42	25		
	Benzodiazepines	\$.42	25		
	Buprenorphine	\$.42	25		
	Cocaine	\$.42	25		
	EDDP	\$.42	25		
	ETG	\$.42	25		
	Fentanyl	\$2.00	25		
	K2	\$.75	25		
	Ketamine	\$.75	25		
	Methamphetamine	\$.42	25		
	MDMA	\$.42	25		
	Methadone	\$.42	25		
	Opiates	\$.42	25		
	Oxycodone	\$.42	25		
	Phencyclidine	\$.42	25		
	Propoxyphene	\$.42	25		
	TCA	\$.42	25		
THC	\$.42	25			
Tramadol	\$.42	25			
		\$.75	25		
3 Panel	Dip Stick with Cup	\$.99	25	500	See above for additional cost.
	In-Cups	\$1.99	25	500	
4 Panel	Dip Stick with Cup	\$1.20	25	20,000	
	In-Cups	\$2.05	25	80,000	
6 Panel	Dip Stick with Cup	\$1.51	25	30,000	
	In-Cups	\$2.35	25	120,000	
7 Panel	Dip Stick with Cup	\$1.67	25	1,000	
	In-Cups	\$2.55	25	30,000	
12 or 13 Panel	Dip Stick with Cup	\$2.43	25	100	
		\$2.59	25		
12 or 13 Panel	In-Cups	\$3.60	25	1,000	
		\$3.80	25		
	Lids (capable of being shipped)	\$.18	100	5,000	



The following drugs are covered under the base price for the 3, 4, 6, 7, and 12 or 13 Panels:

Amphetamine
Barbiturates
Benzodiazepines
Buprenorphine
Cocaine
EDDP
Fentanyl
K2
Ketamine
Methamphetamine
MDMA
Methadone
Opiates
Oxycodone
Phencyclidine
Propoxyphene
TCA
THC
Tramadol

*The actual number of Screening Devices ordered could vary. The MDOC is not obligated to purchase the number of estimate units stated.



Item Listing Saliva Point of Collection Screening Devices

Oral Fluid Point of Collection Device	Price per Unit	Estimate Annual Units*	Quantity per Case or Package
7 Panel	\$5.90	2,000	25
3 Panel OralTox	\$3.90		25
4 Panel OralTox	\$4.40		25
5 Panel OralTox	\$4.90		25
6 Panel OralTox	\$5.40		25
6 Panel Oratect	\$3.65		25
7 Panel OralTox	\$5.90		25
8 Panel OralTox	\$6.40		25
9 Panel OralTox	\$6.90		25
10 Panel OralTox	\$7.40		25
11 Panel OralTox	\$7.90		25
12 Panel OralTox	\$8.40		25

The following drugs are covered under the base price for the 7 Panel Device:

OralTox Drug Panels available:

- Amphetamine
 - Barbiturates
 - Buprenorphine
 - Benzodiazepines
 - Cocaine
 - Cotinine
 - Fentanyl
 - Methamphetamines
 - Methadone
 - Opiates
 - Oxycodone
 - Phencyclidine
 - Propoxyphene
 - THC
 - Tramadol
- Oratect 6-panel includes Amphetamine, Cocaine, Methamphetamines, Opiates, PCP & THC.