

**OHIO ATTORNEY GENERAL'S OFFICE
RECIPIENT ORGANIZATION AGREEMENT**

Recipient Organization: Columbus Police Crime Laboratory

Maximum Amount: \$235,000.00

Award Period: Commencement Date – July 1, 2017

End Date – June 30, 2018

The parties hereto agree as follows:

I. Funding Purpose and Recapture of Funds. In accordance with the terms hereof, the Recipient Organization (the “Recipient”) agrees to expend certain funds for direct expenses related to chemistry laboratory work in support of public forensic laboratories in Ohio that are accredited in chemistry by The American Society of Crime Laboratory Directors/Laboratory Accreditation Board (ASCLD/LAB) or ANSI-ASQ National Accreditation Board (ANAB) to perform chemistry laboratory work. The Recipient agrees that it will be liable to repay any funds spent in a manner inconsistent with this Agreement or the stated purpose as determined by the Ohio Attorney General (“Attorney General”). This Agreement may only be modified with the prior written approval of the Attorney General. All modifications to this Agreement will be in writing and signed by both parties to this Agreement. Any use of the funds other than performing chemistry laboratory work without a modification to this Agreement will be grounds for recapture of the funds by the Attorney General.

II. Limitations on Use of Funds. Funds received under this Agreement will not be used for any political campaign or governmental lobbying in a partisan manner. Funds must be used during the Award Period as stated above.

III. Disbursement of Funds. All funds will be disbursed at the beginning of the Award Period upon full execution of this Agreement. Unexpended funds must be returned to the Attorney General.

IV. Ethics/Conflict of Interest. The Recipient, by signature on this document, certifies that it has reviewed and understands the Ohio ethics and conflict of interest laws, and will take no action inconsistent with those laws.

V. Non-Discrimination. Pursuant to Ohio Revised Code (“R.C.”) 125.111 and the Attorney General’s policy, Recipient agrees that Recipient and any person acting on behalf of Recipient shall not discriminate, by reason of race, color, religion, sex, sexual orientation, age, disability, military status, national origin, or ancestry against any citizen of this state in the employment of any person qualified and available to perform the work under this Agreement. Recipient further agrees that Recipient and any person acting on behalf of Recipient shall not, in any manner, discriminate against, intimidate, or retaliate against any employee hired for the performance of work under this Agreement on account of race, color, religion, sex, sexual orientation, age, disability, military status, national origin, or ancestry.

VI. Compliance with Law. The Recipient, in expending the funds, agrees to comply with all applicable federal, state and local laws, rules, regulations and ordinances.

VII. Authority to Bind Parties. The person signing this document on behalf of Recipient is legally authorized to contractually obligate the Recipient.

VIII. Certification of Funds. It is expressly understood and agreed by the parties that none of the rights, duties, and obligations described in this Agreement shall be binding on either party until all relevant statutory provisions of the Ohio Revised Code, including, but not limited to, R.C. 126.07, have been

complied with, and until such time as all necessary funds are available or encumbered and, when required, such expenditure of funds is approved by the Controlling Board of the State of Ohio, or in the event that grant funds are used, until such time that the Attorney General gives Recipient written notice that such funds have been made available to the Attorney General by the Attorney General's funding source.

IX. Reporting Requirement. Recipient shall submit one report at the end of the Award Period to the Attorney General describing the use of the funds during the Award Period and the number of cases supported by the expenditure of the funds. This report shall be submitted to the Attorney General no later than July 31, 2018 and sent to the following address: GrantsManagement@OhioAttorneyGeneral.gov. Recipient must adhere to all mandatory fiscal and program administration guidelines, including audit requirements, as determined by the Attorney General.

X. Relationship of Parties. It is fully understood and agreed that Recipient is an independent contractor and neither Recipient nor its personnel shall at any time, or for any purpose, be considered agents, servants, or employees of the Attorney General or the State of Ohio, or public employees for the purpose of Ohio Public Employees Retirement Systems benefits.

XI. Time of Performance. Notwithstanding the foregoing, as the current General Assembly cannot commit a future General Assembly to expenditure, this Agreement shall expire when the obligations set forth herein are completed.

XII. Compliance with R.C. 9.23 through 9.238. Recipient agrees to comply with R.C. 9.23 through 9.238, and Ohio Adm.Code 109-3-01 through 109-3-04 (attached as Exhibit A and incorporated as if fully rewritten herein), regarding financial accountability of persons that contract with the State, including, but not limited to, the following:

A. Pursuant to R.C. 9.232(A) and Ohio Adm.Code 109-3-01, Recipient agrees that the minimum percentage of money that is to be expended on Recipient's direct costs will be 100%. As defined in Ohio Adm.Code 109-3-01, direct costs include, but are not limited to: compensation of employees for the time devoted to the performance of the agreement; cost of materials or supplies acquired, consumed, or expended for the purpose of the agreement; equipment and other capital expenditures specified in the agreement. Direct costs do not include the costs of any financial review or audit.

B. Recipient is responsible for maintaining adequate expenditure records pursuant to Ohio Adm.Code 109-3-02 and R.C. 9.232(B). Recipient agrees to file a final report pursuant to R.C. 9.234(A) which includes financial statements, documentation of the major categories of expenditure of the Funds, and a summary of the activities for which the Funds were used within 360 days of receipt of the Funds. The records that Recipient must maintain to document such direct costs pursuant to R.C. 9.232(B) and Ohio Adm.Code 109-3-02 will support the receipt and expenditure of monies under this Agreement and consist, at a minimum, of the following: payroll and related expenses; receipts for materials or supplies acquired, consumed, or expended for the purpose of this Agreement; receipts for equipment and other capital expenditures specified in this Agreement; other receipts for expenditures made for the purpose of this Agreement. Records documenting direct costs will be available and accessible for inspection and will be maintained by Recipient for not less than one year following the financial audit or financial review.

C. Recipient will comply with the financial review and audit requirements established in R.C. 9.234 and 9.235, and the rules of the auditor of state adopted pursuant to R.C. 9.238.

D. Recipient will comply with Ohio Adm.Code 109-3-01 through 109-3-04 as established by the Attorney General under R.C. 9.237, attached hereto and incorporated by reference as Exhibit A.

E. Pursuant to R.C. 9.232(F), Recipient agrees that any funds disbursed to Recipient in excess of the contract payment earned must be repaid to the Attorney General.

[Remainder of This Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties hereto have caused this Recipient Organization Agreement to be executed by their duly authorized officers.

OHIO ATTORNEY GENERAL

30 East Broad Street, 17th Floor
Columbus, Ohio 43215-3400

By: _____

Tom Stickrath

Superintendent, BCI

Date: _____

COLUMBUS POLICE CRIME LABORATORY

770 East Woodrow Avenue
Columbus, Ohio 43207

By: Ned Pettus, Jr.

Name: Ned Pettus, Jr.

Title: Director of Public Safety

Date: 11/17/2017

Approval as to Form

By: Jess B. Tom

Jessica B. Tom
Senior Assistant Attorney General
Executive Agencies, Business Counsel Unit

Date: 10/16/17

EXHIBIT A
Ohio Administrative Code 109-3-01 through 109-3-04

109-3-01. Definitions and guidelines for direct and allocable non direct costs and routine business services.

(A) "Direct costs" are defined as those costs associated with providing services that directly benefit a patient, client or the public as set forth in any contract entered into pursuant to section 9.231 of the Revised Code. Typical direct costs chargeable to a contract include, but are not limited to:

- (1) Compensation of employees for the time devoted to the performance of the contract;
- (2) Cost of materials or supplies acquired, consumed, or expended for the purpose of the contract;
- (3) Equipment and other capital expenditures specified in the contract; and
- (4) Travel expenses incurred to carry out the contract.

(B) "Direct costs" shall not include the costs of any financial review or audit required under section 9.234 of the Revised Code.

(C) Direct costs, at a minimum, shall be:

- (1) Necessary and reasonable;
- (2) Allocable to the contract;
- (3) Authorized or not prohibited under federal, state or local law;
- (4) In conformity with any limitations specified in the contract;
- (5) Accorded consistent treatment;
- (6) Determined in accordance with generally accepted accounting principles;
- (7) Net of all applicable credits; and
- (8) Adequately documented.

(D) The guidance provided in 2 CFR 200 (as in effect on the effective date of this rule), to the extent applicable, shall be followed for direct costs unless otherwise agreed to by the parties in a written contract. Costs not specified in 2 CFR 200 (as in effect on the effective date of this rule) may be included as direct costs if specifically identified and agreed to by the parties in a written contract.

(E) "Allocable non direct costs" as defined in division (A) of section 9.23 of the Revised Code are considered the equivalent of indirect costs.

(F) For the purposes of division (B)(2)(f) of section 9.231 of the Revised Code, "routine business services other than administrative or management services" shall be determined on a case-by-case basis depending on the accepted and relevant business or trade standards that may apply to the type of business and services under consideration.

109-3-02. Maintenance of records documenting direct costs.

(A) Records documenting direct costs for contracts entered into pursuant to section 9.231 of the Revised Code shall be maintained in the following manner:

- (1) Adequate records shall be maintained by the recipient as defined in division (G) of section 9.23 of the Revised Code to support the receipt and expenditure of monies under contract. Records may be maintained in a paper media or an electronic media, or both.

(2) Records shall be available and accessible for inspection by an independent public accounting firm or by the auditor of state during a financial audit or review consistent with sections 9.234 and 9.235 of the Revised Code.

(3) Records supporting the receipt or expenditure of contract funds shall be maintained by the recipient for a period of not less than one year following the financial audit or financial review of recipient records.

(4) Nothing in this rule is intended to supersede or change any rule, regulation or statute that requires a longer retention period.

109-3-03. Remedies in the event of a breach of contract.

(A) In the event of a breach of a contract entered into pursuant to section 9.231 of the Revised Code, a governmental entity shall have remedies including but not limited to the following:

(1) A governmental entity may bring a civil action for the recovery of money due to the governmental entity from a recipient under division (A) of section 9.236 of the Revised Code. In such an action, any person with which the recipient has contracted for the performance of the recipient's material obligations to a group of beneficiaries under the recipient's contract with the governmental entity may be made a party defendant if the person is unable to demonstrate to the satisfaction of the governmental entity that the person has materially complied with the terms of the contract with the recipient. In such a case, the person may be made a party defendant and the governmental entity may obtain a judgment against the person in accordance with division (B)(2) of section 9.236 of the Revised Code.

(2) If a governmental entity obtains a judgment against a recipient in a civil action brought under division (B)(1) of section 9.236 of the Revised Code and the judgment is uncollectible, the governmental entity may recover from the person with which the recipient contracted an amount not exceeding the lesser of the following:

(a) The unsatisfied amount of the judgment;

(b) The total amount received by the person from the recipient minus the total amount spent by the person on direct costs for services actually performed and retained by the person as allocable non direct costs, associated with those direct costs, as those terms are defined in section 9.231 of the Revised Code.

(3) If a governmental entity, pursuant to section 9.236 of the Revised Code, obtains a judgment against a recipient or against a person with which the recipient contracted and that judgment debtor does not voluntarily pay the amount of the judgment, that judgment debtor shall be precluded from contracting with a governmental entity to the extent provided in divisions (A) and (B) of section 9.24 of the Revised Code for a debtor against whom a finding for recovery has been issued.

(4) In addition to other remedies provided in divisions (A) to (C) of section 9.236 of the Revised Code and paragraph (A)(1) to (A)(3) of this rule, a governmental entity may void a contract between a recipient and another person for the performance by the other person of the recipient's obligations under the recipient's contract with the governmental entity to the extent that the other person has not yet performed its obligations under the contract or cannot demonstrate that the money it received was expended on direct costs or retained as allocable non direct costs.

(5) If a recipient is liable to repay money to a governmental entity under section 9.236 of the Revised Code and the judgment obtained by the governmental entity against the recipient is uncollectible, then in addition to other remedies provided in divisions (A) to (C) of section 9.236 of the Revised Code, and after the governmental entity has obtained a judgment against any necessary third party, the governmental agency may void any of the following contracts:

(a) A contract made not more than one hundred eighty days before the judgment against the recipient became uncollectible between the recipient and a director, trustee, or officer of the recipient

or a business in which a director, trustee, or officer of the recipient has a material financial interest, if either of the following applies:

- (i) The recipient has paid substantial value for the property received and the property can be returned to the other person. If the property has experienced only normal wear and tear, the person shall be liable to the governmental entity for the full amount the recipient paid for the property. Otherwise, the person shall be liable to the governmental entity only for the market value of the property.
- (ii) The person with whom the recipient contracted has received money that the recipient obtained pursuant to the contract with the governmental entity and the money was not expended on direct costs or retained as allocable non direct costs. In such a case, the governmental entity may void the contract to the extent the money was not expended on direct costs or retained as allocable non direct costs, and the person shall be liable to the governmental entity for that amount.
- (b) A contract made not more than one hundred eighty days before the judgment against the recipient became uncollectible between the recipient and an employee of the recipient or a business in which an employee of the recipient has a material financial interest, if the employee has direct knowledge of the use of the money that the recipient obtained pursuant to the contract with the governmental entity and either division (E)(1)(a) or (E)(1)(b) of section 9.236 of the Revised Code applies;
- (c) A contract is entered into between the recipient and another person pursuant to which the recipient has paid or agreed to pay money to the other person to the extent that the other person has not yet performed its obligations under the contract;
- (d) A contract made not more than one year before the judgment against the recipient became uncollectible between the recipient and a person other than the governmental entity if the other person has not given or agreed to give consideration of reasonable and substantial value for the consideration given by the recipient.

109-3-04. Terms to be included in contracts between recipients and persons other than the governmental entity.

(A) All contracts between recipients and persons other than the governmental entity shall contain the following:

- (1) A clause giving notice of the remedies available to the governmental entity if the money under the contract between the recipient and persons other than the governmental entity is not expended on direct costs or retained as allocable non-direct costs or, with respect to any contract described in division (A)(3) of section 9.231 of the Revised Code, is not earned under the terms of the contract with the governmental entity.
- (2) A clause requiring the person with whom the recipient is contracting to maintain records documenting direct costs and how long those records must be maintained consistent with the requirements for maintenance of such records under rule 109-3-02 of the Administrative Code.